

EMPLOYEE HANDBOOK



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EMPLOYEE HANDBOOK (Revised 09/2001)

This handbook is not a contract nor do the statements contained in it have the force of law. Personnel laws and regulations may modify or supersede any or all statements in this handbook. For more information, employees should see their Personnel Administrator and refer to the current edition of the Kentucky Revised Statutes, Chapter 18A, and Title 101 of the Kentucky Administrative Regulations.

The Commonwealth of Kentucky does not discriminate on the basis of race, color, national origin, sex, religion, age, or disability in employment or the provision of services. This handbook is available in an accessible format upon request.

USING YOUR EMPLOYEE HANDBOOK (Revised 09/2001)

As a state employee, you are subject to certain laws and regulations as well as your agency's policies. You are also entitled to certain benefits. When you have questions about your responsibilities or benefits, consult the table of contents of this book. If you do not find all of the information you need here, contact your agency's personnel administrator. You should regularly check the Personnel Cabinet's web site at <http://www.state.ky.us/agencies/personnel/pershome.htm> for news and announcements that directly affect your employment. You should also check the bulletin boards in your agency for information that will keep you up to date.

GENERAL INFORMATION ABOUT YOUR EMPLOYMENT (Revised 09/2001)

Kentucky state government has made a commitment to you guaranteeing equal employment opportunity under the law regardless of your race, color, creed, sex, political or religious affiliation, age, or disability. The law also provides other legal protections against retaliation in employment based on political affiliations or beliefs and for employees who report wrongdoing to the appropriate authorities. With programs like the Employee Suggestion System and educational opportunities for career development, the state has promised to recognize and reward resourceful and productive employees.

When you accepted a state position, you also made a commitment to your employer. Your effort to do a good job and work according to the standards and policies set by your employer will show that you recognize your responsibility to the citizens of Kentucky.

Kentucky state government is made up of three branches: the Legislative branch, the Judicial branch, and the Executive branch. As an employee of the state, your position is assigned to an agency within the Executive branch. Your position is also identified as being under the "merit system"--also called the "classified" service--or outside the merit system in the "unclassified" service.

The Legislative branch is made up of the elected members of the Kentucky General Assembly and staff. Legislators are chosen by voters in their districts to serve in either the House of Representatives or the Senate. With the aid of their professional staffs employed in the Legislative Research Commission (LRC), they write and enact the laws of Kentucky. LRC employees are not covered by the merit system in KRS Chapter 18A.

The Judicial branch includes the state's court system. It interprets and applies the laws under the Kentucky and United States constitutions. As with the Legislative branch, Judicial branch employees are not covered by the KRS Chapter 18A Merit System.

The Executive branch, headed by the governor, carries out the laws through "agencies" -- cabinets, departments, boards, commissions, and offices. Most Executive branch employees are covered by one of the three merit systems: KRS 18A; KRS 151B; and KRS 16.

Within the Executive branch, agencies are grouped into "Cabinets." As head of the Executive branch, the governor may organize agencies so they will function more efficiently. Agencies are sometimes reorganized when the governor finds they may work better under a different structure.

The Executive branch now has 15 cabinets. They are: Economic Development; Education, Arts and Humanities; Families and Children; Finance and Administration; General Government; Health Services; Justice; Labor; Natural Resources and Environmental Protection; Personnel; Public Protection and Regulation; Revenue; Tourism Development; Transportation; and Workforce Development.

THE MERIT SYSTEM (Revised 09/2001)

By far, the greatest number of state employees in the Executive Branch work under the classified service, or "merit system." Positions not under the merit system generally include the governor and lieutenant governor staffs, policy-making managers, and interim employees (see KRS 18A.115).

Today, almost every state government has a merit system. Merit systems were developed to provide fairness and continuity in the state workforce.

The merit system emphasizes making personnel decisions (hiring, promoting, assigning work, and other matters) based on an individual's qualifications and performance.

Merit system employees must serve a probationary period when they begin working for the state. Usually, the probationary period lasts six months, but may be as long as 12 months in certain cases. When the probationary period is over, employees gain merit system "status," which gives employees certain rights and privileges. The merit system also protects state employees against arbitrary actions and discriminatory practices. For example, any disciplinary actions brought against a status employee must provide specific notice of the reasons for the action and provide a right of appeal to a neutral decision-maker, such as the State Personnel Board.

The Personnel Cabinet and the Personnel Board administer and enforce the merit system law and the personnel administrative regulations. The merit system law is Chapter 18A of the Kentucky Revised Statutes. The administrative regulations for the classified service come under 101 KAR 1:325 through 101 KAR 1:400 (Personnel Board regulations); 101 KAR 2:020 through 101 KAR 2:160 (Personnel Cabinet Merit regulations); and 101 KAR 3:010 through 3:050 (Unclassified Service regulations). Sworn officers in the Kentucky State Police are governed by KRS Chapter 16 and Title 502 of the Kentucky Administrative Regulations. Certified and equivalent

employees of the Workforce Development Cabinet are governed by KRS Chapter 151B and 780 KAR Chapter 3.

ETHICS CODE FOR THE EXECUTIVE BRANCH (Revised 09/2001)

Executive branch employees are responsible for complying with the Executive Branch Code of Ethics under Kentucky Revised Statutes (KRS) Chapter 11A. The Executive Branch Code of Ethics contains provisions to ensure ethical conduct and prevent conflicts of interest in the executive branch of state government.

To maintain public confidence in democratic government, certain restrictions are placed upon your conduct. As an executive branch employee, you are prohibited from the following:

- Using your influence in a matter that involves a conflict between personal and public interest;
- Using your official position to obtain financial gain or secure privileges;
- Engaging in any conduct when appearing before a state agency that would lead the public to believe you are furthering your private interest;
- Receiving any interest or profit from the use or loan of state funds;
- Disclosing or using confidential information acquired in the course of your official duties for your personal benefit;
- Acting as a representative for the state in the transaction of business for yourself or a family member;
- Contracting or doing business with the state through any business in which you own at least a 5% interest;
- Accepting compensation, other than your state salary, for performance of your official duty; and
- Using state time, equipment, personnel, or materials for personal benefit.

The Executive Branch Code of Ethics also places restrictions on future employment if you leave state government. You are prohibited from acting as a lobbyist within one year of termination of your employment, with respect to any matter that directly involved your job during the last 36 months of your state employment. You are also prohibited for one year from representing a person in a matter before a state agency in which you were directly involved as a state employee during the last 36 months of your state employment.

If you are an officer as defined in KRS 11A or an elected official, you are prohibited for six months following termination of employment from accepting employment or compensation from

any person or business who contracts or does business with the state, in a matter in which you were directly involved during the last 36 months of your state tenure. You are allowed to return to the same business or profession in which you were involved prior to state employment. However, for six (6) months, you must not work on any matter in which you were directly involved during the last 36 months of your state employment.

Certain executive branch employees are required annually to publicly disclose financial information. If you are required to disclose this information, you will be sent a Statement of Financial Disclosure form to complete.

The Executive Branch Code of Ethics details procedures for reporting a complaint of an alleged violation of KRS 11A. An investigation is initiated by the Executive Branch Ethics Commission to determine if a violation of the law has occurred. Penalties for violations of the Executive Branch Code of Ethics include loss of state employment, withholding of salary, civil penalties of not more than \$5000, or the criminal penalties for a Class D felony charge depending on the law violated.

For more details of the ethics laws that govern executive branch employees, see KRS Chapter 11A. If you have questions, you may consult your supervisor or request an advisory opinion from the Executive Branch Ethics Commission.

POLITICAL ACTIVITIES (Revised 09/2001)

As your employer, state government encourages you to register and vote. Believing that it is each citizen's responsibility to be informed about the issues that affect your life within society, your state government will allow you four hours of paid leave to vote during work hours.

To protect you from political pressures in your job, certain restrictions have been placed upon your political activities. The KRS 18A.140 lists the political activities you may or may not do as a state merit system employee:

KRS 18A 1:40 Discrimination and Political Activities Prohibited.

1. No person shall be appointed or promoted to, or demoted or dismissed from, any position in the classified service, or in any way favored or discriminated against with respect to employment in the classified service because of his/her political or religious opinions or affiliations, or ethnic origin, sex, or disability. No person age forty (40) or over shall be discriminated against because of age. Favoritism or discriminatory treatment in Merit System employment, based upon age (over 40), sex, disability, race, religious affiliation or opinion, political affiliation or opinions, ethnic origin, or gender is a violation of law.
2. The use or promise of political influence based upon an official position, whether actual or anticipated, of favorable or retaliatory treatment of a merit system employee or position is a violation of law.
3. Merit system employees may not be solicited to make contributions of money or services to political parties or candidates.

4. Merit system employees may not be actively involved in partisan political campaigns or candidates for elective political office but may run for non-partisan office if no salary other than a per diem payment is involved.

The following guidelines are taken from Opinions of the Attorney General which interpret the political activities law.

Permitted Activities:

1. Registration and Voting: Classified employees may register and vote in any election.
2. Expression of Opinions: All persons subject to the personnel rules have a right to privately express their opinions on all political subjects and candidates, but they may not take an active part in political management or political campaigns.
3. Contributions: It is lawful for classified employees to make voluntary cash contributions to political parties, candidates, or organizations. However, it is unlawful for classified employees to make contributions of goods, services, or labor.
4. Membership in Political Clubs: Classified employees may join a political club and attend its meetings but may not hold office or serve on committees of the club.
5. Attendance at political rallies, conventions, etc. are permitted and classified employees may participate in the selection of committeemen and committeewomen. Classified employees may vote at the lowest level of the selection process for delegates to the party conventions.
6. Political Pictures and Signs: It is lawful for classified employees to display political pictures or signs on their property.
7. Badges, Buttons and Stickers: It is lawful for classified employees to wear political badges or buttons and voluntarily display political stickers on their private automobiles, however, no political badges, buttons or other designations may be worn while on official duty or while the employee is conducting official business for the Commonwealth.
8. Precinct election officers: Classified employees may serve as precinct election officers at the polls.
9. Constitutional amendments, referenda, etc.: Classified employees may work actively for or against constitutional amendments, referenda or municipal ordinances in which they are interested, provided that state time and resources are not used for this purpose.
10. Transporting Voters: Classified employees on their own time may transport friends or relatives to the polls as a civic gesture, but may not transport voters to the polls as part of an organized service to a political party, faction, or candidate.

Prohibited Political Activities: The following political activities are prohibited whether the employee is on or off duty:

1. Political Party Involvement: Classified employees are prohibited from serving on or for any political committee, party or other similar organization, or serving as a delegate or alternate to a caucus or party convention, but may vote in the selection of delegates to a party convention or in the selection of precinct committeemen or committeewomen.
2. Political Contributions: A classified employee is prohibited from soliciting or handling political contributions.
3. Political Party Tickets: A classified employee is prohibited from soliciting the sale of or selling political party, faction, or candidate items or tickets, but a classified employee

- may voluntarily purchase such items or tickets.
4. Political club involvement: A classified employee is prohibited from serving as an officer of a political club, as a member or officer of any of its committees, of addressing such a club on any partisan political matters, or of being active in organizing it.
 5. Political meetings and rallies: A classified employee is prohibited from serving in connection with preparation for, organizing or conducting a political meeting or rally or addressing such a meeting on any partisan political matter therein except to vote.
 6. Partisan activity at election polls: A classified employee is prohibited from engaging in partisan activity at the polls (at primary or regular elections) in the position of checker, challenger, or watcher, or in soliciting votes and assisting voters to mark ballots.
 7. Candidacy for office: A classified employee is prohibited from becoming a candidate for nomination or election to any office, federal, state, county, or municipal, which is to be filled in an election in which party candidates are involved or for which compensation is paid (other than a per diem for school district office); or from soliciting others to become candidates for nomination or election to such offices.
 8. Campaign literature distribution: A classified employee is prohibited from distributing campaign literature or material.
 9. Nominating petitions: A classified employee is prohibited from initiating or circulating partisan political nominating petitions.
 10. Solicitation of political support: A classified employee is prohibited from canvassing a district or soliciting political support for a party, faction, or candidate, either in person or in writing.

If you have any questions please call the Personnel Cabinet's General Counsel at (502) 564-7430.

YOUR EMPLOYMENT STANDING (Revised 09/2001)

Your official employment standing with the state is documented on Personnel Form P-1. When you are hired, a P-1 form is sent by the hiring agency to the Personnel Cabinet where it is reviewed, approved or disapproved, and if approved, placed in your permanent employment file in the Personnel Cabinet. Copies are returned to the hiring agency, where agency records are kept, and a copy is given to you for your records. All future changes in your position, job classification, merit status, rate of pay and a number of other factors will be documented on P-1's. No changes requested by your agency are final and official until the Secretary of the Personnel Cabinet approves the P-1.

EMPLOYEE RECORDS AND FILES (Revised 09/2001)

There are two means of gaining access to information pertaining to you as an employee. Your Personnel file, which is maintained by the Personnel Cabinet and your agency, may be inspected and copied after a written request is made under KRS 18A.020. Other written information pertaining to you may be inspected and copied upon written request of the proper custodian under KRS 61.884. Please remember that state resources such as mail, e-mail, and fax may not be used to request records.

Kentucky's Open Records Law (KRS 61.870 to 61.884) requires that all records of public agencies shall be public records and open to public inspection, except as limited by KRS 61.878. In order to inspect an agency record, you must comply with appropriate request procedures established by the agency and authorized under KRS 61.876. A written response to your Open Records Act request is due within three workdays of the day it is received.

If you request to see a public record under the Open Records Act and you are denied access to it, the agency withholding the record must give you written and specific reasons why it is denying the information to you. If you believe the requested information is being withheld unlawfully, you may request the Attorney General to review the denial. The Attorney General will issue a written opinion to the denying agency stating whether or not the denial was consistent with the law. An employee may also appeal denial of access to his own employment-related records by appeal to the Personnel Board or by filing a lawsuit. All requests must identify the specific records being sought within the file. General requests for "any and all records" or "The Personnel File " need not be honored.

As a courtesy and in order to protect personal and private information from disclosure, the Personnel Cabinet makes every reasonable effort to notify an employee when it receives an Open Records request from a third party to inspect and copy records in the employee's file.

For more information on "Records of Personnel Cabinet Subject to Open Records Law/Employees' Access to Personnel Files" please refer to KRS 18A.020.

WORK SCHEDULES (Revised 09/2001)

State employees are expected to be at work on time. A full-time employee shall be required to work 37½ hours per week (some employees regularly work 40 hours a week) unless specified otherwise by the Appointing Authority or the Statutes. The typical workweek runs Monday through Friday, 8:00 a.m. till 4:30 p.m., with time off each day for lunch. (KRS 337.355) You are also entitled to rest breaks, according to KRS 337.365.

Agency managers have discretion in deciding what work hours best meet the needs of particular work places. If you work in a state hospital or correctional facility, for example, you may work a different shift than your office counterparts. Your lunch period may be less than an hour if it is necessary for staff to rotate to provide continuous coverage. In some units, employees must all take their rest breaks at the same time; in others, the work demands a staggered schedule. These are agency management decisions, so long as the agency complies with applicable laws.

Another area of discretion is flex-time scheduling. An agency may offer some or all of its employees the opportunity to design their own work schedules. Usually, agencies operating under flex-time require that their employees work certain "core" hours during each day to ensure that there is a steady flow of work during the peak hours when services are most needed.

USE OF STATE MATERIALS, EQUIPMENT, AND INFORMATION TECHNOLOGY RESOURCES (Revised 09/2001)

When state materials, equipment and resources are put to personal use, they must be replaced sooner, causing a drain on agency funds. Honest, ethical employees, nevertheless, often use state copy machines, stationery, pens and pencils, typewriters, and other state property as if they were their own private property, never considering that the combined cost of all employees' using state materials and equipment for personal use may be millions of dollars yearly. Since employees, too, are taxpayers, they also should be concerned about high government costs that could be avoided by careful use of state materials and equipment purchased with tax dollars. Although failure to realize individual responsibility for economical use of state property may seem a minor flaw in an otherwise excellent employee, the direct dollar loss for property and material abuse is large. The conscientious employee will take care to make distinctions between what materials are for state work and what is considered personal property. Statutory Reference: KRS 11A.020.

State employees in doing their jobs have access to the Commonwealth of Kentucky's information technology resources which include data, computers, and network resources. Most employees view, edit, change or access these resources by using information technology resources such as desktop computers, mainframe terminals, network servers, portable devices, office productivity software or database systems. Each employee, as the originator, custodian, or user of data, is responsible for ensuring that the data under their direction or control is properly identified and safeguarded according to its sensitivity, proprietary nature and criticality. Employees are further responsible for ensuring that sensitive data, whether it is in written form or on a computer hard disk, tape or diskette, should be kept secure at all times. Employees are permitted to use only the information technology resources and information for which they are authorized. Records created using the state's data resources, including but not limited to e-mail, may be subject to inspection by the employer or under the Open Record Laws. Use of the Internet and e-mail is for facilitation of state business. Employees are responsible for observing copyright restrictions and regulations. Employees should be aware that their conduct using electronic communications can reflect on the reputation of the Commonwealth. The use of the Internet for pornography or gambling or any other unauthorized purpose is prohibited. Employees are also forbidden to use e-mail for the purpose of racial or sexual harassment or any other unauthorized purpose. Use of the Internet or e-mail for personal business such as buying or selling of commodities, for sending chain letters, or for soliciting money for religious or political causes are examples of unacceptable use of the system. Any employee who violates these rules is subject to disciplinary or legal action by the Commonwealth of Kentucky under the Kentucky Computer Crime Law, KRS Chapter 434.840-855. Violations or suspected violations of computer security measures or controls should be reported at once to management or those with the responsibility for computer security.

TELEPHONE USAGE (Revised 09/2001)

Remember that state telephones are for state business and not personal convenience. Do not tie up state telephone lines with personal calls. If you call long distance from work, find out in advance from your agency what its policies are regarding payment for personal calls. Statutory Reference: KRS 11A.020.

When using the telephone, remember to identify who you are and what office has been reached when you answer. Be courteous, speak clearly, and pay attention to the caller. If you must transfer the caller to another line, explain what you are about to do. If you are taking a message for someone, repeat all the essential details to be sure they are correct and complete. Never leave the caller with the feeling he or she has gotten the "brush-off." To the caller, you represent the agency, and your telephone skills reflect directly upon the professionalism of your office.

TRAVEL REGULATIONS (Revised 09/2001)

If you must travel on state business, your expenses will be reimbursed according to provisions of 200 KAR Chapter 2. These administrative regulations specify in detail what types of transportation are acceptable and under what conditions; what costs for accommodations and what meals are allowable; what receipts you must obtain to document your expenses; what conditions determine whether or not you may be reimbursed for expenses; and what forms you must use in order to have your expenses reimbursed. It is important that you know in advance whether or not a cost will be reimbursable. Do not assume that all travel costs will be reimbursed. Contact a person in your agency authorized to make such judgments and is thoroughly knowledgeable about the travel regulations. Travel money, from state funds is not available in advance. If you are a member of the Commonwealth Credit Union (see entry under Employee Benefits section of this handbook), you may qualify for a low-interest short-term travel loan. To obtain a travel loan, take a copy of your most recent P-1 (personnel action form) and a copy of your authorization to travel on state business to the credit union. You should contact your agency personnel administrator if you have further questions.

RIDESHARING (Office of Transportation Delivery) (Revised 09/2001)

If you are interested in joining a car or van pool, or commuting by bus to work, contact the Transportation Cabinet, Division of Office of Transportation Delivery at (502) 564-7433 for referrals to individuals and agencies in your community. This office maintains a file of persons commuting to Frankfort.

SAFETY - KENTUCKY SAFETY PROGRAM (Revised 09/2001)

Employees of every organization are the key to an effective safety program (see 101 KAR 2:150). As a state employee, you are responsible for taking safety precautions to protect yourself and others from unnecessary safety and health hazards. This responsibility includes knowledge of and compliance with the Kentucky Safety Program Rules, and making suggestions for improved safety conditions or work practices to your supervisor. Fulfillment of these responsibilities will result in a safer work environment for all government employees.

General Job Safety Rules

Statistics maintained by Workers' Compensation show that many job injuries are caused by neglecting fundamental safety precautions. The following list of safety rules will help you stay

free of injury. Read and practice them. You may contact the State Safety Coordinator at (502) 564-6846.

- Know the job safety requirements.
- Know your Agency Safety Representative and contact him or her with all safety problems and/or concerns.
- If you cannot correct an unsafe condition, report it immediately.
- Read thoroughly all safety materials distributed to you.
- Be certain that all instructions are clearly understood before starting a task.
- Learn to lift and handle materials safely. Do not hesitate to ask for help in lifting heavy loads. Always push rather than pull a load.
- Keep walking surfaces free from tripping hazards. Keep work areas dry, clean and orderly.
- Do not leave desk and file cabinet drawers open.
- Open one file drawer at a time. Place heavier drawers at the bottom of the cabinet.
- The top of the monitor or VDT should not be higher than the user's eyes for normal vision. Bifocal and trifocal users may prefer to have their monitor at a lower position.
- The VDT screen and document holder should be the same distance from the eye and at the same level to avoid constant changes in focus and close enough together so the operator can look from one to the other without excessive movement of the neck or back.
- The preferred viewing distance for VDT's ranges between 18 and 24 inches.
- The preferred working position for most keyboard operators is with the forearms parallel to the floor and elbows at the sides.
- The mouse should be positioned at the operator's side with his or her arm close to the body for support, while maintaining a straight line between the hand and forearm.
- Do not use office furniture or other objects instead of a ladder. Inspect ladders before use. Be certain they are in good repair and of the correct height.
- Avoid horseplay, and avoid distracting others.
- Do not sacrifice safety for the sake of production.
- Know what to do in case of fire or other emergency.
- Know the locations of fire extinguishers and how to use them.
- Always use the handrail on stairs.
- Drive defensively when operating motor vehicles. Observe posted speed limits and wear seat belts.
- Operate only equipment for which you are qualified and authorized.
- Do not wear jewelry or loose clothing around machinery or equipment.
- Do not use defective or unguarded equipment. Report the condition to your supervisor.
- Ensure that machine safety guards are always in place when operating equipment.
- Maintain hand tools in good repair. Inspect them regularly.
- Use portable electric tools outdoors only if they are grounded or double insulated and GFCI protected.
- Ground all fixed electrical equipment.
- Use extension cords to temporarily furnish power to portable tools or appliances. Cords must be free of defects and without splices.
- Always put live electrical parts in proper enclosures and under no condition use exposed electrical parts.
- Top heavy equipment should be properly anchored to the floor.

- All pedestal/bench grinders should be equipped with properly adjusted tongue guards, tool rests, and peripheral spindle guards.
- Protect open sided work areas, including scaffolds with proper railings.
- Use appropriate respirators when working with hazardous materials.
- Wear safety glasses, goggles, or face-shields when there is a risk of eye injury.
- Never do a task or operate equipment without the required personal protective equipment.
- Wear hard hats when there is a hazard from falling objects.
- Wear substantial shoes when walking on rough or uneven surfaces. Safety shoes are required when working around heavy loads that could fall on feet.
- Wear appropriate gloves to prevent cuts and protect from hazardous materials.
- Wear shoes with slip resistant soles that provide maximum surface.
- Shield ventilation and exhaust fan blades with mesh (1/2 inch in diameter or smaller) when fans have been installed within seven feet of the work area floor.
- Separate compressed gas cylinders by type when storing them, and secure with valve protection caps in place. Separate oxygen cylinders from fuel gases by 20 feet.
- Post "NO SMOKING" signs near all flammable liquids.
- Report chemical spills to appropriate personnel immediately.
- Store flammable liquids such as fuels and solvents (i.e., paint thinner) in approved safety cans. Quantities are also limited by OSHA standard.
- Do not use powered industrial trucks that are defective in any manner (horn, brakes, etc.).
- Confined spaces should only be entered after required permitting and in accordance with Kentucky OSHA guidelines, such as monitoring air quality and availability of rescue equipment and personnel.
- Shore and lay back trenches and/or excavations over five feet deep per OSHA regulations. Spoil piles must be three feet from edges of opening.
- Do not report for work under the influence of alcohol or drugs.
- Ensure compliance with the OSHA hazard communication standard. This includes a written program, labeling, material data sheets, training.
- Report all injuries to your supervisor, no matter how minor they seem.
- Refer to Occupational Safety and Health Standards for General Industry (29 CFR 1910), or Occupational Safety and Health Standards for construction (29 CFR 1926) for more detailed and/or specific regulation information.
- Safety awareness is a concern both on and off the job.

WHAT YOU SHOULD KNOW ABOUT HIV AND AIDS (Revised 09/2001)

AIDS is Acquired Immune Deficiency Syndrome - a serious illness that makes the body unable to fight infection. A person with AIDS is susceptible to certain infections and cancers. When a person with AIDS cannot fight off infections, this person becomes ill. Most people with AIDS will die as a result of their infection. AIDS is caused by a virus called Human Immunodeficiency Virus, or HIV. Early diagnosis of HIV infection is important! If you have been told you have HIV, you should get prompt medical treatment. In many cases, early treatment can enhance a person's ability to remain healthy as long as possible. Your doctor will help you determine the best treatment for you. Free anonymous and confidential testing and counseling is available at every health department in Kentucky. After being infected with HIV, it takes between two weeks

and six months before the test can detect the antibodies to the virus.

HIV can be spread by:

- sexual contact (oral, anal, or vaginal intercourse) with an infected person when blood, semen or cervical/vaginal secretions are exchanged
- sharing a syringe/needle with someone who is infected
- receiving contaminated blood or blood products (very unlikely now because blood used for transfusions has been tested for HIV antibodies since March, 1985)
- an infected mother passing HIV to her unborn child before or during childbirth, and through breast feeding
- receipt of transplant or infected tissue/organs or artificial insemination from an infected donor
- a needle stick or sharp injury in a health care setting involving an infected person

You cannot get HIV through casual contact such as:

- sharing food, utensils, or plates
- touching someone who is infected with HIV
- hugging or shaking hands
- donating blood (this has NEVER been a risk for contracting HIV)
- using public rest rooms
- being bitten by mosquitoes or any other insect

Prevention:

- do not share needles or syringes with anyone
- do not have sexual intercourse except with a monogamous partner whom you know is not infected. If you choose to have sex with anyone else, use latex condoms (rubbers), female condoms or dental dams every time you have sex
- educate yourself and others about HIV infection and AIDS

You should be tested if you:

- have had sex with someone who has HIV
- have had sex with someone who has or has had any sexually transmitted disease (STD)
- have shared needles or syringes with someone who has HIV
- have had multiple sex partners or you have had sex with someone who has had multiple partners
- have had sex through prostitution (male or female)
- have had sex with injecting drug users
- had a blood transfusion between 1978 and 1985
- are a women who is pregnant or desires to be pregnant and who wishes to reduce the chance of your baby getting HIV from you should you be infected

If you need more information, please call:

Kentucky HIV/AIDS Education Program (502) 564-6539; (Voice/TTY) 502-564-6539.
National AIDS Hotline 1-800-342-AIDS.

Your local health department's HIV/AIDS Coordinator.

Remember: You can't tell whether or not someone has HIV just by looking at them.

VIOLENCE IN THE WORKPLACE (Revised 09/2001)

A growing concern among workers in both the public and private sector is safety from violence while at work. In response to this concern it is important that every employee be aware that violence and threats of violence are unacceptable workplace behaviors. Violence in the workplace involves more than the use of weapons. It can include shoving, harassing, and hitting as well as other acts.

If a threat of violence occurs in the workplace, from employees or from customers, the supervisor **must** be made aware of the threat. If an incident of violence occurs at work it is important to provide employees in that work setting with psychological care within 24-48 hours by contacting either the Kentucky Employee Assistance Program at (502) 564-5788 or the Kentucky Community Crisis Response Board at (502) 564-0131.

DRUG-FREE WORKPLACE (Revised 09/2001)

In 1988, the United States Congress enacted the Anti-Drug Abuse Act (P.L. 100-690), which requires recipients of federal funds to certify that they have met requirements designed to promote a drug-free workplace. In compliance with this Act, and at the direction of the Governor, all State employees are notified that:

The unlawful manufacture, distribution, dispensation, possession or use of any controlled substance is strictly prohibited in the workplace and any employee found to be in violation will be subject to disciplinary action by the Appointing Authority for misconduct which may include sanctions up to and including dismissal from state service, in accordance with State law.

- The Personnel Cabinet will continue to improve drug-free awareness programs through Employee Assistance and in cooperation with State agencies to eradicate the dangers that drugs in the workplace create for our employees. State-supported health insurance provides coverage for employees referred to or seeking treatment for drug and alcohol related problems.
- Employees are notified that compliance with drug-free workplace requirements is a condition of continued employment with State Government. Each employee is obligated to report any conviction he or she receives as a result of a violation of any criminal drug statute violation occurring in the workplace within five (5) days of such conviction. Failure to report a conviction may result in disciplinary action. Such a report is to be made to the employee's Appointing Authority and is required by federal law and the agency is obligated to report such conviction to the federal grantor within ten (10) days after it receives notice.
- Employees found to be in violation of drug-free workplace requirements may face

disciplinary action up to and including dismissal or may be required to satisfactorily participate in a drug abuse assistance or treatment program.

Employees who have questions concerning this directive are encouraged to contact their supervisor or the Personnel Cabinet's Employee Assistance Program at (502) 564-5788.

CLASSIFICATION PLAN (Revised 09/2001)

The Personnel Cabinet is required to prepare, maintain and revise the classification plan for the Executive branch of state government. The classification plan is a tool for sorting and comparing jobs so that jobs with similar levels of responsibilities and assigned duties will have the same title; the same minimum requirements of education, training, and skills for applicants; and the same pay grade. The plan currently has more than 1500 classes. Each class has its own written specification that includes title; characteristic functions and responsibilities; examples of the kinds of duties generally performed by positions (jobs) in that class (not all job duties would be listed as examples); and minimum requirements listed as combinations of education, experience, licensure, certification or legal requirements a person must have to be considered for jobs in that class.

Your official title, as listed in your personnel file, is based on the responsibilities and duties assigned to your position (job) by your employer as compared to class specifications in the classification plan. Your employer informs the Personnel Cabinet of the responsibilities and duties of your job by completing and submitting a position description (PD) form. Classification and Compensation Division staff compare the contents of the PD to the various class specifications and makes a final determination of the most appropriate classification for your job. The class specification for your official title should describe the responsibilities and duties assigned by your employer more closely than other class specifications.

A "desk audit" is a personal interview with an employee and their supervisor or manager to get more detailed information about the responsibilities assigned to a job. The Personnel Cabinet may conduct a "desk audit" before making a final classification decision, or on some occasions, the appointing authority or Personnel Board may ask the Personnel Cabinet to conduct a "desk audit." Employees wishing for a desk audit must first go through their appointing authority who may request a "desk audit."

Appointing authorities may request the Personnel Cabinet to review the classification of their employees from time to time and make recommendations regarding such classifications. Should an employee be assigned permanent and material changes in his or her job class, a different classification may be appropriate. The appointing authority may request a RECLASSIFICATION. Employees reclassified to a higher pay grade will receive an increase in salary. Employees reclassified to the same or a lower paygrade will keep the same salary they were earning prior to the reclassification.

A RECLASSIFICATION is different from a REALLOCATION in that employees may be reallocated if (1) it is determined that the employee's job was not properly classified previously, or (2) if a new job specification is adopted by the Personnel Cabinet which better describes the job performed. Your new job classification after a REALLOCATION may be to the same pay

grade or to a higher or lower grade. Employees who are REALLOCATED to a classification to which they do not agree may file a formal request to the Secretary of Personnel for a reconsideration of the action taken. Your agency will provide you with a copy of the reconsideration form if your position is REALLOCATED.

You may have a working title in addition to your official job title. For example, you may be classified as a Clerk II but have a working title of "messenger." Working titles do not affect your official title and pay. Those titles may be used for purposes other than official payroll and personnel matters.

If you believe your classification does not accurately reflect your job, you may request your supervisor or agency personnel administrator to review your classification. The personnel administrator should work with agency management and the Personnel Cabinet to review your classification.

The Personnel Cabinet maintains the official copies of all class specifications. You may inspect them any work day during business hours and under reasonable conditions. You may also access class specifications at the Personnel Cabinet's website under "Class Specifications."

COMPENSATION (PAY) PLAN (Revised 09/2001)

The Personnel Cabinet, in consultation with the appointing authorities and the Secretary of Finance and Administration, prepares, maintains and revises the compensation (pay) plan. Three basic elements are involved in the compensation plan:

1. The relationship of the levels of responsibilities and duties of the various classifications;
2. What other employers pay for similar work; and
3. The financial resources (tax dollars) available to pay for the work performed.

Employees in the Merit System provided in KRS 18A are assigned to job classes according to their duties and responsibilities. Each job class in the classified service is assigned to one of the pay grades in the classified service salary schedule (Grades 3-20). Each job class in the unclassified service is assigned to one of the pay grades in the unclassified service salary schedule (Grades 3-22). Pay grades are assigned based on similarity of the level of duties and responsibilities compared to other state job classes. Salary surveys of other employers determines the pay for similar levels of work. Each pay grade has an entry-level wage (the lowest salary that state government pays for work in jobs assigned to that pay grade) and a midpoint wage (the "going wage", or the salary most employers would pay an experienced employee performing that particular type of work). There is a 10% difference in the entry-level salary of each pay grade.

The salary schedule may be adjusted when salary surveys indicate that job market salaries have changed AND state revenues allow budget appropriations for that purpose.

Your salary depends on a number of factors: (1) your job classification, (2) your seniority, and

(3) your career path.

Your starting salary is normally at the minimum of the pay range assigned to your classification. In some cases an agency may request to start an employee above the range minimum based on an applicant's unique background or difficulty in recruiting for that class.

At the successful completion of initial probation period (see glossary), an employee normally receives a probationary increase of five percent (5%). This sets the employee's increment date for as long as an employee is continuously employed not including extensive leave without pay.

As you gain status (upon completion of probation) and seniority, you will be eligible for salary increases (raises) to the degree that the state's budget and regulations allow.

The compensation (pay) plan is closely related to the classification system, but it is distinctly different.

HOW THE PAY SYSTEM WORKS (Revised 09/2001)

As an employee of the state, you will receive your paycheck on the 15th and the 30th of each month, when those dates fall on a regular work day. Whenever a pay day falls on a weekend or holiday, checks are issued on the last workday preceding the 15th and the 30th.

If you are a new employee, you will not receive a check the first pay day following your first day of work. State government must pay its employees one pay period in arrears, so you will get your paycheck for hours worked during the previous pay period, not the current one. In other words, your end-of-the-month paycheck is for the period covering the first 15 days of the month.

A beginning employee must work a month before receiving pay for the first pay period. After that new employees receive their pay checks when all other employees do. If you leave state employment, you will receive your last check two weeks after you leave.

Your paycheck stub provides you with information about your hours worked, earned leave balances, and deductions. Since your paycheck stub is really an itemized receipt, you should save it as a permanent record of your earnings, deductions, leave balances, taxes and hours worked. If you dispute any of the information on your pay stub, you should contact your agency payroll officer, immediately.

Many state employees are choosing to have their paychecks direct deposited automatically in their checking or savings account. This convenience may save you time, postage, gasoline--and the anxiety of waiting in line. Ask your payroll officer about this time saving option.

EQUAL EMPLOYMENT OPPORTUNITY (EEO) (Revised 09/2001)

The Office of Equal Employment Opportunity (EEO) reports to the Secretary of Personnel who is responsible to the Governor and the people for directing, implementing, and enforcing the State's Affirmative Action Program. Employees are encouraged to express their concerns

regarding existing or potential barriers or prohibitions to equal employment opportunity due to race, color, religion, national origin, sex, age, or disability.

EEO assistance is available by contacting your agency EEO/ADA Counselor/Coordinator or the State EEO Coordinator at (502) 564-4460.

Affirmative Action Plan for State Government

1. To ensure equal employment opportunity for all Kentuckians regardless of race, color, religion, national origin, disability, sex, or age, the affirmative action plan dated July 1, 1984, confirmed as part of Executive Order 84-549 continued in force by Executive Order 92-1059, the official affirmative action plan for Kentucky State Government. Copies of the plan, as well as the plans developed by individual agencies pursuant to the state plan, is maintained on file and made available for inspection in the office of the Secretary of Personnel.
2. Every program cabinet, department, and agency of state government must comply with the provisions of the affirmative action plan.
3. Equal employment opportunity is an integral part of each cabinet, department, and agency program, and any program evaluation includes an assessment of equal opportunity performance.
4. The State EEO Coordinator is responsible for the implementation of the plan and reports to the Secretary of Personnel. In fulfilling these responsibilities, the State EEO Coordinator:
 - a. Requires all cabinets, departments, and agencies of state government to develop programs consistent with the plan;
 - b. Provides any technical assistance considered appropriate to accomplish the purposes of the plan;
 - c. Provides, through the Personnel Cabinet, an annual analysis to ensure that persons protected by anti-discrimination laws are not adversely affected by examination and selection procedures;
 - d. Provides for validation of examination procedures;
 - e. Provides for procedures to monitor appointments and salary adjustments to ensure that standards are uniformly applied to prevent salary disparity;
 - f. Reports to the Governor through the Secretary of Personnel semiannually on actions taken under the plan;
 - g. Reviews the plan on an annual basis and recommends necessary changes in consultation with the appropriate agencies.
5. The Secretary of Personnel may also:
 - a. Implement programs to ensure that reasonable accommodations exist for persons with disabilities to allow them better access to all employment opportunities in state government; and
 - b. Appoint an affirmative action advisory committee to assist in implementation of

the affirmative action plan. (See KRS 18A.138)

Sexual Harassment Policy

State law prohibits unwelcome sexual advances, requests for sexual acts or favors, with or without accompanying promises, threats, or reciprocal favors or actions; or other verbal or physical conduct of a sexual nature that has the purpose of or creates a hostile or offensive working environment. Examples of prohibited conduct include, but are not limited to, lewd or sexually suggestive comments, off-color language or jokes of a sexual nature; slurs and other verbal, graphic or physical conduct relating to an individual's sex; or any display of sexually explicit pictures, greeting cards, articles, books, magazines, photos or cartoons.

Complaints of sexual harassment will be promptly and carefully investigated, and all employees may be assured that they will be free from any and all reprisal or retaliation from filing such complaints. Any employee who has a complaint of sexual harassment at work by anyone, including supervisors, co-workers, visitors, clients, or customers, should immediately bring the problem to the attention of agency officials or the Personnel Cabinet. Employees may bring the complaint to the attention of their supervisor, or if the complaint involves supervisory personnel in the employee's line of command, to another supervisor, the personnel manager or the State EEO Coordinator at (502) 564-4460.

ADA - Americans with Disabilities Act

Kentucky state government is committed to the full implementation of the Americans with Disabilities Act (ADA). It is the policy of the Commonwealth to maximize the full inclusion and integration of people with disabilities in all aspects of employment and all programs, services, and activities.

All employees **must** comply with the following policies regarding the ADA:

Discrimination Prohibited: Employees with disabilities who are otherwise qualified may not be discriminated against in any areas of employment including, but not limited to, job application and compensation procedures, fringe benefits available by virtue of employment and activities sponsored by the state.

Limiting, Segregating, and Classifying: Employees with disabilities shall not be limited, segregated, or classified in a way that adversely affects their employment opportunities or status.

Contractual or Other Arrangements: The Commonwealth will not participate in contractual or other arrangements or relationships that would subject qualified employees with disabilities to the discrimination prohibited by the ADA.

Reasonable Accommodations: The Commonwealth will make reasonable accommodation to the known physical or mental limitations of an otherwise qualified employee with a disability, unless it can be shown that the accommodation would impose an undue burden. After a qualified employee requests reasonable accommodation, all agencies will make every reasonable effort to find out what is needed and provide the appropriate accommodations. This is to be an interactive process with the agency consulting with the employee with a disability.

Administration of Tests: The Personnel Cabinet will select and administer tests concerning

employment in the most effective manner to ensure that, when a test is administered to a job applicant or employee who has a disability that impairs sensory, manual or speaking skills, the test results accurately reflect the skills, aptitude, or whatever other factor of the applicant or employee that the test purports to measure, rather than reflecting the impaired sensory, manual, or speaking skills of such employee or applicant (except where such skills are the factors that the test purports to measure).

Retaliation and Coercion: The Commonwealth will not coerce, intimidate, threaten, harass, or interfere with any individual exercising or enjoying his or her rights under the ADA or because that individual aided or encouraged any other individual in the exercise of rights granted or protected by the ADA. Employees may file a complaint as set forth in Employee Grievances and Complaints. Please direct any questions or concerns to your agency ADA Coordinator.

Employee Grievances and Complaints

Occasionally employees are faced with situations that cannot be resolved through informal complaint processes. In such cases the employee may wish to file a formal grievance with his or her agency. The following administrative regulation (101 KAR 1:375) provides for those cases when an appeal to the Personnel Board might be unnecessary or premature. The employee grievance procedure allows many serious matters to be resolved in-house through a formal structure designed to save employees and their agencies both time and unnecessary effort.

A grievance is a complaint filed by an employee which concerns some aspect of his or her conditions of employment over which the cabinet or agency has control and which has occurred or of which the employee has become aware, through the exercise of due diligence, within thirty (30) days prior to filing.

Employees in the classified service who believes that they have been subjected to unfair or unjust treatment concerning their conditions of employment may file a grievance.

Any grievance concerning an action which is appealable directly to the Personnel Board under KRS 18A.095 may also be filed with the cabinet or agency. The filing of a grievance with the cabinet or agency does not prohibit the employee from also filing an appeal with the Personnel Board, or extend the statutory appeal period.

An employee utilizing this procedure is entitled to file a grievance without interference, coercion, discrimination, or reprisal.

An appointing authority must inform its employees of the provisions of this administrative regulation, or any modifications in the levels of review that have been approved by the Personnel Board for the employee's cabinet or agency under this administrative regulation.

The Secretary provides to the employees, through the appointing authorities, a Grievance Form to be used for filing a grievance. Grievance forms may also be inspected, copied or obtained at the Personnel Board, 28 Fountain Place, Frankfort, Kentucky 40601, 8:00 a.m. to 4:30 p.m., Monday through Friday.

Procedures:

A grievance is to be filed with an employee's immediate supervisor within thirty (30) days

following occurrence or the employee becoming aware, through the exercise of due diligence, of the action that is the subject of the grievance. If the action or conduct of the first line supervisor is the basis of an employee's grievance, the grievance may be filed with the second line supervisor.

An employee must state in writing the basis of the grievance or complaint together with the corrective action desired. If an employee wishes to submit additional information or documentation, it should be attached to the grievance.

If a grievance is filed that alleges discrimination on the basis of race, color, religion, national origin, sex, disability, age forty (40) or over, the recipient of this grievance must immediately notify the cabinet or agency EEO Coordinator to apply the affirmative action plan.

Interviews to evaluate or investigate the grievance outside of normal work hours with the grievant or other employees entitles them to compensatory time.

Interviews to evaluate or investigate the grievance held with the grievant or other employees does not require the use of leave time.

Grievants may have a representative present at each step of the grievance procedure.

Grievance Levels

The person with whom the grievance is filed shall, upon investigation, issue findings and a decision in writing to the employee within five (5) work days after receipt of the grievance. If the responding supervisor is unable to resolve the complaint to the satisfaction of the employee, the employee may request review of the grievance within two (2) work days of receipt of the decision to the next appropriate level.

If the line supervisors are unable to resolve the grievance to the satisfaction of the employee, the employee may request review of the grievance within two (2) work days of receipt of the decision of the final line supervisor by the appointing authority who, upon investigation, shall issue findings and a final determination in writing to the employee within ten (10) work days.

Unless the time limits have been extended by agreement of the parties, failure of supervisory or management personnel to respond within prescribed time limits shall automatically advance the grievance to the next review level.

Any intermediate grievance level may be waived by written agreement of the parties.

APPEALS TO THE PERSONNEL BOARD (Revised 09/2001)

Employees who have been dismissed, demoted, or otherwise penalized by formal action must receive written notice of such actions and be informed of their appeal rights. KRS 18A.095 explains the procedures for hearing the appeals. The full text of 101 KAR 1:365 is available from your personnel officer and the Personnel Cabinet's web page. You may obtain an employee appeal form by contacting your agency personnel administrator or the Personnel Board. Time limitations for filing appeals with the Personnel Board vary from 30 days to one year depending upon the nature of the alleged penalization and must be determined by reference to the applicable section of KRS 18A.

EMPLOYEE PERFORMANCE EVALUATION (Revised 09/2001)

The job performance of state employees is important to the Commonwealth. Supervisors are required to evaluate the performance of all eligible merit system employees **once** a year. In order to assure all Kentucky citizens that the quality of services provided by their state government measures up, state law requires that evaluations shall be considered in determining eligibility for discretionary salary advancements, promotions and disciplinary actions. (See KRS 18A.110) and (101 KAR 2:180)

Work performance evaluation benefits you in several ways. First, it improves communication between you and your supervisor. Supervisors **must meet with eligible employees prior to the start of each evaluation period** to discuss performance requirements. Performance requirements include a written performance plan consisting of job duties, performance expectations, and assigned points in each performance category. At the start of the performance year the employee, first line supervisor and next line supervisor sign the plan. The completed performance plan provides you the information needed to understand what your job requires. It provides, too, the mechanism for reviewing your progress as an employee. If your performance is satisfactory, you are told what you are doing right and how you might do even better. If your performance is not up to standard, you receive the constructive counseling or training that will enable you to improve.

For details on who is eligible for evaluation, how performance evaluation affects you, and how it is carried out, see the **Employee Evaluation Handbook**, available to you through your supervisor or your agency's personnel administrator. Also you may visit the Personnel Cabinet's web site to read KRS 18A.110 and 101 KAR 2:180 or look at the employee evaluation handbook located on the Personnel Intranet site. <http://kygovnet.state.ky.us/personnel/homepage.htm>

INTERNAL MOBILITY PROGRAM (Revised 09/2001)

If you are a merit employee with status and want to have your name on an Internal Mobility register, you must:

1. Submit or have an updated application on file with the Personnel Cabinet's Division of Staffing Services.
2. Meet the minimum requirements for the position for which you are applying.

3. Be approved and placed on a register by an Employment Counselor in the Division of Staffing Services.

You may request placement on up to 15 separate registers for different job classifications.

Employees on Internal Mobility registers are not ranked. When an Internal Mobility register is requested, the names of all Internal Mobility applicants on that register plus the names of competitive applicants with the top 5 scores will be sent to the requesting agency unless competitive names are blocked by reemployments. If this is the case, only reemployments (former state employees who were laid off) and internal mobility (current state employees) will be sent to agencies. Summer, Interim, non-merit, and probationary employees are not eligible for Internal Mobility registers. Part-time merit employees can only be on part-time Internal Mobility registers.

If you have any questions, contact the Personnel Cabinet at (502) 564-8030.

COOPERATIVE EDUCATION AND INTERNSHIP PROGRAM (Revised 09/2001)

The co-op/intern educational placement program serves as a recruiting tool for agencies that cannot find potential employees with appropriate skills in order to fill their vacant positions. The program helps agencies meet their short-term staffing needs in critical skill areas. It also serves as a mechanism for Kentucky students to obtain practical on-the-job experience and academic credit as part of their educational experience.

For additional information visit the Personnel Cabinet's website at <http://www.state.ky.us/agencies/personnel/coop.htm> or call 502-564-7430

EMPLOYEE BENEFITS (Revised 09/2001)

Your net salary (the money left in your paycheck after deductions) does not tell the whole story of your work compensation. Beyond your paycheck lies a hidden paycheck that adds more than 30% to the real value of your salary. These dollars come to you as fringe benefits of your state employment in the form of state-assumed costs for insurance protection, retirement and social security benefits, savings plans, educational opportunities, and various types of leave time. In the pages that follow, you will learn what your state benefits are, what conditions apply to them and how they mean extra dollars to you.

If you need additional information concerning state benefits, talk with your agency personnel administrator.

LEAVE (Revised 09/2001)**Annual Leave (Vacation Leave)**

Although earned annual leave may be taken in units as small as 1/4 hour, an extended break of one week or longer will allow you to rest from your work responsibilities and renew your energy. While the state recognizes it is your right to use earned leave time for the purposes you choose, as your employer it encourages you to take the recuperative benefits of enjoying a substantial vacation from your job. Employees who use their annual leave time in larger rather than smaller units say they returned to work with renewed enthusiasm and improved work habits.

Annual Leave (Accumulation Rates)

All full-time employees receive annual leave as a state work benefit. Part-time and Interim employees do not earn annual leave. Your length of service will determine the amount of annual leave you earn in a calendar year. A full-time employee shall have worked, or been on paid leave, other than educational leave with pay, for 100 or more hours per month to accrue annual leave.

<u>Months of Service</u>	<u>Leave Accrued Annually</u>
0-59 months	12 days per year; 1 day per month
60-119 months	15 days per year; 1 1/4 days per month
120-179 months	18 days per year; 1 1/2 days per month
180-239 months	21 days per year; 1 3/4 days per month
240 months and over	24 days per year; 2 days per month

Annual Leave (Accumulation Limits)

You may carry your annual leave forward from one calendar year to the next at the following rates:

<u>Months of Service</u>	<u>Maximum to Carry Forward</u>
0-59 months	30 working days (225 hrs.)
60-119 months	37 working days (277.50 hrs.)
120-179 months	45 working days (337.50 hrs.)
180-239 months	52 working days (390 hrs.)
240 months and over	60 working days (450 hrs.)

Leave in excess of the above maximum amounts shall be converted to sick leave at the end of the calendar year or upon retirement.

Annual Leave (Rules on Use and Payment)

The first rule to remember about annual leave is that you must always get advance approval from your supervisor before taking annual leave. To do this, you should complete your agency's appropriate leave form and give it to your supervisor early enough to obtain the supervisor's written consent before you take time off. If you do not receive prior approval for annual leave, your agency may refuse to pay you for the time you are absent and consider your absence as "unauthorized absence." Agencies may also take disciplinary action against employees who are absent without leave. An employee who is absent without authorization for 10 working days is considered to have resigned from employment.

If you resign from state employment, you will be paid for all accumulated annual leave, up to the legal maximum you are permitted to carry over from year to year, provided you give your agency at least 14 calendar days written notice of your final work day. If you do not give at least 14 days notice, your agency can refuse to pay you for any annual leave time you have accumulated.

If you are laid off you will be paid for all unused accumulated annual leave time up to the legal maximum you are permitted to carry over from year to year.

If you are dismissed for cause or fail to give two weeks notice of resignation without proper notice, you may have to forfeit all of your unused annual leave time. Your agency will decide whether you are to receive payment for your accrued annual leave.

Blood Donation Leave (Revised 09/2001)

The Kentucky Safety Program and the Personnel Cabinet are pleased to sponsor the American Red Cross Blood drive for State employees. Because of the many uses of each blood component, each blood donor may save several lives with his or her donation.

The blood donation policy is as follows:

- Because blood donation leave is granted for the purpose of allowing an employee to recuperate from donating, only regularly scheduled work hours may be used for leave and compensatory time will not be granted after hours.
- Agencies are responsible for notifying their employees of the blood donation policy.
- All employees statewide are permitted to donate blood at any licensed blood center certified by the Food and Drug Administration.
- Blood leave may only be granted for donations given during the employee's regular working hours, not including the employee's lunch hour.
- All employees are required to obtain prior supervisory approval for blood leave.
- All employees are required to submit verification to their supervisor of blood donation or deferral.
- Employees who donate shall receive four (4) hours leave time with pay for the purpose of donating and recovering from the donation. Leave time must be taken at the time of donation unless circumstances, as specified by the supervisor, require the donor to return to work. In this case, the unused portion of leave time will be credited as compensatory time.
- Employees deferred from donating shall not be charged for the time used in attempting to donate, but will not receive the four (4) hours leave time as those who donate.

If you have questions about the blood donation policy, call the Personnel Cabinet at (502) 564-6846. For questions about donating blood, call the Franklin County chapter of the American Red Cross, (502) 223-1795.

Compensatory Leave Time and Overtime Pay

If your job is not determined to meet the criteria as executive, administrative, or professional (your personnel administrator in your agency can tell you how your job is designated) in accordance with the Federal Fair Labor Standards Act, and you are paid on a salaried basis, you

will be given compensatory leave time for any hours you work beyond your usual hours of duty. Employees in this category are "exempt." If you are paid by the hour or perform "non-exempt" duties, you will be paid for the hours worked up to and including 37.5 hours in the week. You will receive compensatory time, on an hour-for-hour basis for hours between 37.5 and 40 in a work week. For hours worked beyond 40 in a workweek, you will be paid time and one-half your regular rate of pay, unless you elect to receive compensatory leave at one and one-half hour for each hour worked over 40. If you elect to receive compensatory leave at time and one-half, this election must remain in effect for a minimum of six months.

If your job is determined to meet the criteria as executive, administrative, or professional, you will be given compensatory leave time for all hours worked in excess of your regular work schedule. This accrual will be on an hour for hour basis. Employees in this category are considered "exempt" employees.

When you use your compensatory leave time during the same week you earn it, it does not count as "hours worked" for figuring overtime compensation. You must request the use of your compensatory leave in advance, just as you would for annual leave.

The maximum amount of compensatory time that can be accumulated is 240 hours. Once 240 hours is reached, employees in non-policy making positions will be paid for a block of 50 hours and the balance reduced accordingly. Employees who have accumulated over 150 hours may request a block 50 payment; however, the agency is not required to pay until 240 hours is reached. If you transfer to another agency, you take your compensatory time with you to your new job--just as you do with accumulated sick leave and annual leave.

Court Leave

All employees of Kentucky state government receive paid leave time whenever they must serve as jurors or comply with a court or administrative subpoena. Court leave is not granted though if you or a member of your family are a party involved in a court action as a private matter. If you or a member of your family are parties to the case, you must use annual or compensatory leave and request to do so in advance.

The time you must spend during working hours traveling to court is also included in paid court leave. But if you are dismissed from jury duty or from serving as a witness, you must return directly to your job.

Be sure to show a copy of any court summons to your supervisor before taking court leave. Otherwise, your absences will not be properly authorized.

Special Leave of Absence (Educational Leave)

Special leave of absence may be granted, with or without pay, for up to 24 months, with the approval of your appointing authority and the Secretary of Personnel.

If granted, leave shall be granted either with pay (if the employee contractually agrees to a service commitment) or without pay.

Special leave of absence may be used to attend college, university, or business school, or to receive training in work-related subjects when it is of tangible benefit to the state.

You will not accumulate annual leave or sick leave while on special leave with pay. If your leave is without pay, you must make arrangements through the payroll officer to continue your health and life insurance. You must pay the total premiums.

FAMILY AND MEDICAL LEAVE ACT (FMLA) (Revised 02-21-2001)

The Family Medical Leave Act is intended to balance the demands of the workplace with the needs of families, to promote the stability and economic security of families, and to promote national interests in preserving family integrity. It was intended that the Act accomplish these purposes in a manner that accommodates the legitimate interests of the employers, as well as minimize the potential for employment discrimination on the basis of sex, while promoting equal employment opportunity for men and women. As a result of the federal FMLA, Kentucky State Government has enhanced some of your benefits as State employees. In areas where your benefits were already more generous than the federal law requires those benefits have been maintained at the higher level. The information contained in this section is a brief summary of the federal FMLA. The information presented in *"Italics"* either clarifies State Government's policy or describes the enhanced benefits you receive as a State employee.

***YOUR RIGHTS* under the Family Medical Leave Act of 1993:**

EMPLOYEE ELIGIBILITY

To be eligible for FMLA benefits, an employee must:

- (1) have worked for Kentucky State Government for a total of at least 12 months; and
- (2) have worked or been on paid leave for at least 1,250 hours in the 12 months immediately preceding the first day of FML.

LEAVE ENTITLEMENT

A covered employer must grant an eligible employee up to a total of 12 workweeks of leave during any 12-month period for one or more of the following reasons:

- for the birth or placement of a child for adoption or foster care. While the federal regulations state that a combined total of twelve 12 weeks shall be granted to an eligible husband and wife who work for the same employer, *Kentucky State Government grants up to 12 weeks to each parent.*
- to care for an immediate family member (spouse, child, or parent *or someone of similarly close blood or legal relationship who has resided with the employee for not less than thirty (30) days prior to first day of FML*) with a serious health condition; or to take medical leave when the employee is unable to work because of a serious health condition.

Employers may require employees to use accrued paid leave for FMLA leave. *Kentucky State Government does not require that an employee's leave for a qualifying condition be designated as FML until that employee has utilized all of his accrued sick and annual leave (with the exception that an employee may request, in writing, to retain up to 10 sick days). If an employee uses paid leave for a qualifying condition, the up to 12 weeks of FML is not taken from that employee's FML availability until the leave is designated as FML. During this time, however, the employee is afforded the rights and protections of the FMLA. It is important to note that an employee may request qualifying leave to be designated FML at any time (even if the employee is still using paid leave). The employer is responsible for designating if an employee's use of paid leave counts as FMLA leave, based on information from the employee.*

ADVANCE NOTICE AND MEDICAL CERTIFICATION

The employee may be required to provide advance leave notice and medical certification or other supporting documentation. Request for leave may be denied if requirements are not met.

- The employee ordinarily must provide advance notice when the leave is "foreseeable."
- An employer may require medical certification to support a request for leave because of a serious health condition, and may require second or third opinions (at the employer's expense) and a fitness for duty report to return to work.

Under certain circumstances, employees may leave take FMLA leave intermittently -- which means taking in blocks of time, or by reducing their normal weekly or daily work schedule.

- If FMLA leave is for the birth or placement for adoption or foster care, use of intermittent leave is subject to the employer's approval.
- FMLA leave may be taken intermittently whenever medically necessary for a seriously ill family member, or because the employee is seriously ill and unable to work.

JOB BENEFITS AND PROTECTIONS

- A covered employer is required to maintain group health insurance coverage for an employee on FMLA leave whenever such insurance was provided before the leave was taken and on the same terms as if the employee had continued to work. *As a State employee you will also have the State's share of your group life insurance provided while you are on FML.* If applicable, arrangements will need to be made for employees to pay their share of health insurance premiums while on leave.
- Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.
- The use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

UNLAWFUL ACTS BY EMPLOYERS

FMLA makes it unlawful for any employer to:

- interfere with, restrain, or deny the exercise of any right provide under FMLA;
- discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

ENFORCEMENT

- The U.S. Department of Labor is authorized to investigate and resolve complaints of violations.
- An eligible employee may file an appeal with the *Personnel Board*.

With the exception of the enhancements listed, Kentucky State Government will follow all federal regulations and guidelines.

Military Leave (Revised 12/2001)

An active member of the United States Army Reserve, the United States Naval Reserve, the United States Air Force Reserve, the United States Marine Corps Reserve, the United States Coast Guard Reserve, the United States Public Health Service Reserve, or the Kentucky National Guard, required to serve under order or training duty shall be without loss of the regular compensation for a period not to exceed the number of working days specified in KRS 61.394, per federal fiscal year (October-September), provided your military orders require your absence from your state job. Any additional military leave time must be charged to your accumulated annual or compensatory leave balance or be charged as leave without pay. Your appointing authority may require you to present a copy of the military orders requiring your absence from work before granting military leave.

Any employee of the state who enters active military duty must be granted leave of absence without pay for the period of that duty up to six years. Although your agency and the Secretary of Personnel must grant such leave, you must request it in order to avoid being dismissed for abandonment of your job without obtaining official leave.

When you return from active duty, your employer must restore you to a job of like seniority, status, and pay under KRS Chapter 61. An employee restored from military leave is treated as though he or she was in continuous service.

Sick Leave

Rules on Sick Leave Use

As with annual leave, you are required to get advance leave approval for such non-emergency sick leave as doctor's appointments. If your need to use sick leave prevents advance notice, you are expected to call your supervisor or his or her designee as soon as possible. Remember, the

same penalties that apply to unauthorized annual leave also apply to unauthorized sick leave when the absence is not a medical emergency. When you cannot give adequate notice, a timely telephone report to your supervisor can prevent your absence from being considered unauthorized.

When you take extended sick leave with pay, your agency must return you to your same job provided your leave does not exceed six months. If you are on sick leave with pay for longer than six months, you must be returned to a job for which you are qualified and which resembles your former job as closely as circumstances permit.

At the time of your retirement, you will receive service time credit for unused sick leave.

Sick leave with pay may be used when you have a medical, dental, or optical appointment. You may also use earned sick leave if you;

- are sick or injured;
- are pregnant;
- caring for a sick or injured member of your immediate family for a reasonable period of time;
- would jeopardize the health of others at work;
- have lost by death a parent, child, brother, sister, the spouse of any of them, or any other person as specified in the regulations.

Your agency may limit the amount of time granted for the above conditions and may require a doctor's certificate to document your condition.

Sick leave may be used in 15-minute units.

A former employee who is appointed, re-instated, or re-employed, other than a former employee receiving benefits under a state retirement system, shall be credited with the unused sick leave balance credited to him upon separation.

Why Save Your Sick Leave?

If you ever get sick or injured and you have to be absent from work for a long time, hopefully you will have enough sick leave and other leave to cover your absence. If you don't have enough leave time, chances are you will go "Off the Payroll", and be in a leave-of-absence-without-pay status. Below are some of the consequences of going "Off the Payroll" for a lengthy period of illness:

1. You won't be paid your salary.
2. You won't be paid for any Holidays that fall during your period of leave without pay.
3. You won't earn vacation and sick leave during this period.
4. You may have to work extra months to become a "Career Employee" or to qualify for retirement.

Remember that you have to work 100 or more hours per month to gain service credit for that month.

- *5. You must pay for your dependents' and your health insurance premiums, which would normally be deducted from your paychecks.
- *6. You must pay for your Group Life Insurance premiums, which would normally be deducted from your paychecks.
- *7. You will have to make your own payment arrangements for any normally payroll-deducted loans, insurance, etc.
- * **See FAMILY LEAVE section for exceptions.**

Sick Leave With Pay

Each state employee who works 100 or more hours per month accumulates sick leave with pay at the rate of one day per month. There is no limit to the number of sick days you may accumulate.

Sick Leave Without Pay

If you are sick or injured, you may take sick leave without pay for up to one year. To do so, you must complete the appropriate leave request form in your agency and furnish a medical certificate signed by a doctor certifying your specific condition.

If you take sick leave without pay, you may request to leave 10 days of your earned sick leave with pay in your sick leave balance for later use after you return to work. Whether or not you choose to use all of your sick leave with pay before taking leave without pay is up to you.

When you are ready to return to work from sick leave without pay and have notified your agency of your ability to perform your job duties, your agency must return you to a position for which you are qualified and which resembles your former position as closely as circumstances permit. If you do not notify your agency of your readiness to work, your agency will notify you ten days before your sick leave without pay runs out. An employee who is unable to return to work at the end of one (1) year of sick leave without pay, after being requested to return to work at least ten (10) days prior to the expiration of such sick leave, shall be dismissed by the appointing authority only if the appointing authority has been unable to place the employee in a vacant, budgeted position, with the same agency, for which the employee qualifies. The employee shall be given priority consideration for such vacant position, if he is capable of performing its essential functions with or without reasonable accommodation.

Sick Leave Longevity Award

Employees whose career work for the state reaches 120 months receive a bonus of 10 additional sick leave days in consideration for their service. After completion of 240 months, employees will receive 10 additional days of sick leave.

Sick Leave Sharing

In the event of a prolonged or catastrophic illness or injury, or an extended absence due to illness of a family member, eligible employees who accrue sick leave and who have exhausted their leave balances may have sick leave donated to them by other eligible state employees. Information on this program and the forms needed to receive or donate leave may be obtained from your Personnel Administrator.

Sick Leave Abuse

Your earned sick leave with pay is intended as a benefit for you to use at those times when you have a bona fide need for it. As your employer, the state has defined the terms for using sick

leave very broadly, recognizing that there are many circumstances other than your own unexpected illness when you might justifiably claim sick leave. Sick leave cannot, however, be used for unnecessary occasions when it would be convenient for you to be absent. For those times, you must apply for annual or compensatory leave. The employee who abuses sick leave causes either a work slow-down or places an unfair strain upon fellow workers who must do the work in his or her absences. In consideration for your fellow workers, your agency, and the people state government serves, spend your sick leave time wisely. Remember that a large amount of accumulated sick leave with pay is your cheapest form of disability insurance.

Voting Leave

Voting leave must be requested in advance and the employee must be eligible to vote and must exercise that right in order to qualify. Agencies develop work schedules in advance that permit their employees to share the work load on election day while still taking leave time to go to the polls. Presidential election day is a state holiday. Regulatory References: 101 KAR 2:102 and 101 KAR 3:015. You are allowed up to four hours to vote or to apply for an absentee ballot. In order to be eligible for voting leave, you must (1) be registered to vote, (2) be scheduled to work on election day during the hours of 6:00 a.m. to 6:00 p.m. local time, and (3) notify your immediate supervisor prior to receiving voting leave. Employees who are authorized to work in lieu of taking voting leave shall receive four hours of compensatory leave.

Holidays (Revised 09/2001)

Kentucky state government observes holidays amounting to 11.5 days (12.5 days in years there is a presidential election) of paid leave annually for state employees. The following list shows the holidays when you may expect to receive a paid holiday.

New Year's Day*	January 1
Martin Luther King Day	Third Monday in January
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Presidential Election Day	First Tuesday in November of presidential election years
Veterans Day	November 11
Thanksgiving Day*	Fourth Thursday in November
Christmas Day*	December 25
Good Friday	One-half day

*An extra day is given for Thanksgiving, Christmas, and New Year's

When one of the above holidays fall on Saturday, it is observed on Friday. Holidays occurring on Sunday are observed on Monday.

INSURANCE (Revised 09/2001)

Health Insurance

Full-time employees who contribute to a state retirement plan are eligible to receive state group health insurance coverage with the option to insure their families at the group rate.

New employees have 30 days from their date of hire to:

- Enroll in a health plan that is offered in the county where you live or work
 - Or waive (give up) coverage by completing the appropriate Sections of the health insurance application.

Applications are available from your Agency Insurance Coordinator. An employee who fails to either enroll in an available plan or waive coverage within the specified time period will be automatically assigned to a plan available in the county where he or she lives, single level of coverage.

The effective date of your health coverage is the first day of the second full calendar month following the month of hire. In other words, if you start to work any time in the month of January, your health coverage would become effective on March 1. If you wish to make changes in your health insurance, you must do so during the annual Open Enrollment period held each fall. Outside of Open Enrollment you will not be allowed to change plans unless you move outside of your plan's service area. You will be allowed to add or drop dependents from your plan outside of Open Enrollment if you have a Qualifying Event such as birth of a child, marriage, divorce, etc. Consult your Health Insurance Handbook or your Agency Insurance Coordinator listed in the back of the Health Insurance Handbook for more specific information on your health insurance benefits.

Premium Conversion

The Premium Conversion program gives you the opportunity to pay for your portion of the health insurance premium with pre-tax dollars. This saves you money. You are automatically enrolled unless you sign a cancellation form either during open enrollment or within 30 days of your date of hire. If you choose to participate in the Premium Conversion option, you must remain on it until the next open enrollment period. If you cancel out of this program and wish to once again participate, you must re-enroll by signing an enrollment form during open enrollment. Your Agency Insurance Coordinator can supply you with a cancellation form or a re-enrollment form should you need it.

Commonwealth Choice Flexible Spending Accounts

The Spending Account program provides employees with the opportunity to pay for eligible uninsured Health Care Expenses and Dependent Day Care expenses with TAX-FREE dollars. By directing "pre-tax" money from your paycheck into either the Health Care spending account or the Dependent Day Care spending account, you can put up to 41% of the money you are spending on eligible expenses back into your pocket.

The Spending Account program is available to full-time state government employees in the Executive, Legislative, and Judicial branches who are eligible for state-sponsored health insurance.

The program costs you nothing to use however, if you wish to participate, you must complete an enrollment form during open enrollment or within 30 days of your date of hire. Enrollment does not "roll-over" from one year to the next so you must complete an enrollment form for each year that you wish to participate. Additional information and enrollment forms can be obtained from your Agency Insurance Coordinator.

Consolidated Omnibus Reconciliation Act of 1985 (COBRA)

If you and any covered dependents lose group health insurance due to termination of your employment, or a reduction in your work hours, you have the right to continue state group health coverage at your own expense under COBRA for 18 months.

If your spouse or dependent loses group health insurance coverage due to divorce from employee, dependent gets married, dependent reaches limiting age, etc., the ex-spouse and/or dependent(s) will have the right to continue coverage at his or her own expense under COBRA for 36 months.

COBRA also allows employees considered to be totally disabled (while waiting approval for Medicare), to maintain insurance for up to 29 months from the date of the Qualifying Event. The 11-month disability extension must be requested through the Personnel Cabinet before the original 18 months of COBRA runs out.

Employees and/or their covered dependents that are entitled to COBRA coverage will be sent notification by the employee's agency. You will be given 60 days from the date your insurance coverage terminates or 60 days from the date of the COBRA notice, whichever is later, to elect COBRA. If you wish to continue your insurance under COBRA, you must complete the election form, COBRA insurance application, and return it to your Agency Insurance Coordinator along with your check for the appropriate amount to make your health insurance coverage current. After that, you will be responsible for making all premium payments on time directly to the insurance company.

Group Life Insurance

The state paid Basic Life Insurance amount for all eligible employees is \$20,000 with an equal amount of Accidental Death and Dismemberment Insurance with no cost to the employee.

Optional Insurance and Dependents Group Life

The Group Life Insurance Program offers you the option of purchasing additional insurance on yourself and/or your eligible dependents. Payments are made through payroll deduction. There are four optional plans and five dependent plans available. Your agency's insurance coordinator has available enrollment forms and an employee packet that describes the plans, dependent eligibility and rates.

You can enroll in Optional Life Insurance and/or Dependents Group Life Insurance within 30 days of your employment by the Commonwealth of Kentucky without evidence of insurability.

If you are enrolled in Optional Life Insurance Plan 3 or Plan 4, you have 30 days following the date of a pay increment to increase your insurance to corresponding plan volumes.

You are also eligible to enroll in Dependents Group Life Insurance within 30 days of the time when you first acquire a dependent.

You can apply for or increase Optional and/or Dependents coverage at any time by completing an evidence of good health and submitting it to the insurance company.

Term Insurance

State sponsored group life insurance is term insurance. There is no cash value or paid-up value.

Effective Date

Your insurance takes effect on the first day of the second month following the month you were employed.

If you choose to purchase Optional Life Insurance and/or Dependents Group Life Insurance for your family at the time of your employment, this insurance coverage becomes effective on the first day of the second month following the month you were employed.

Life Insurance Benefit

In the event of your death, your beneficiary will be paid the amount of Life Insurance at the time of your death. The amount of benefits payable includes the amount of your Basic Insurance and any additional amount purchased under the Optional Life Insurance Plan.

If the loss of life is caused by an accident, the Accidental Death Benefit is payable to your beneficiary in an amount equal to your Basic Life Insurance and Optional Life Insurance, if selected.

If you select the Dependents Group Life Insurance for your family and a covered dependent dies, benefits will be paid to you.

Beneficiary Designation

You have the right to choose a beneficiary. If there is a beneficiary for the insurance, benefits are payable to that beneficiary. Any amount of insurance for which there is no beneficiary at your death will be payable to the first surviving class of the following classes of successive preference beneficiaries: your (a) surviving spouse; (b) surviving children; (c) surviving parents; (d) surviving brothers and sisters; and (e) executors or administrators.

You may designate a new beneficiary at any time by completing a Beneficiary Designation form.

Leave Without Pay

Your insurance may be continued for up to a maximum of one year during an approved leave of absence without pay. After one year has expired, your coverage will terminate unless you return to work as an eligible employee. While on leave, you are responsible for making timely payments of the required contributions for Basic, Optional and Dependents Group Life Insurance.

Family Leave

The Commonwealth of Kentucky will continue paying your Basic Life Insurance. You are responsible for timely payments of your insurance premiums for Optional Life Insurance and Dependents Group Life Insurance.

Conversion

If you terminate employment (including through disability retirement), you are guaranteed the opportunity to convert all or part of your Basic, Optional and Dependents Group Life Insurance to an individual policy within 31 days following the date your insurance coverage ends without

providing evidence of good health.

If you are enrolled in Dependents Group Life Insurance, a covered dependent can convert to an individual policy should your insurance end due to death or termination of employment. A spouse in a divorce situation and a dependent child who reaches the limiting age may also convert.

At the time of your termination, please contact the Group Life Insurance Branch for your rates and application to convert your coverage.

Written application and payment of the first month's contribution must be made within 31 days of the insurance termination date.

Termination Date

Your insurance ends on the first day of the second month following your employment termination date.

In the event of your death, Dependents Group Life coverage will end on the first day of the month following the date of death.

For More Information

The Group Life Insurance Branch provides all administration services from enrollment processing to claim screening and submission. **Please contact the group life insurance branch first with all questions or concerns**

In Frankfort, call 564-4774, or use the toll-free number, 1-800-267-8352, from anywhere in the state.

Unemployment Insurance

If you are terminated without cause or laid off, you may be eligible to file for unemployment insurance benefits. If you have received notice of lay-off, you should immediately contact your local unemployment office or the Division of Unemployment Insurance at (502) 564-2900.

Workers' Compensation Insurance

All state employees are covered under the Kentucky Workers' Compensation law, which pays employees part of their salaries for work-related injuries. If your claim is approved, your necessary medical expenses will also be paid.

If you are unable to work for an extended time because of a work related injury or illness covered by Workers' Compensation Insurance, you will be paid for your time off work. Workers' Compensation indemnity benefits are 66 2/3% of your average weekly salary. You may, however, use your accumulated sick leave to keep your regular, full salary. If you choose to use your paid sick leave, your workers' compensation pay benefits must be assigned back to the state for whatever time you receive paid sick leave. Your sick leave will be reinstated to the extent that Workers' Compensation was assigned. You may not receive paid sick leave and Workers' Compensation pay for the same period of time. See KAR 2.140 Section 4(1) Workers'

Compensation Fund and Program.

If you are injured on the job, you must report the injury as soon as possible to your supervisor. Supervisors are responsible for completing the Employer's First Report of Injury and calling in the First Report within 3 working days.

Most injuries could probably be prevented if employees remain safety-conscious at all times. Review the General Safety Rules included in this handbook. If you need additional information about Workers' Compensation, contact your agency personnel office or the Workers' Compensation Branch at (502) 564-6847.

Social Security and You

Social Security is part of almost everyone's life...more so than most of us realize. It is one of the best benefits offered by the Commonwealth to public employees.

Social Security protects more than 1,825,000 workers across the state and pays benefits to another 129,300 Kentuckians through its retirement, disability and survivors programs. Social Security is also the base upon which most Kentucky public employee retirement systems is built.

Survivors benefits

The importance of Social Security survivors' benefits is often underestimated. Younger Kentuckians face a 1 in 5 chance of succumbing before reaching age 65. Survivors' benefits are paid on a monthly basis to the deceased worker's family to help ease the loss of a wage earner.

The value of Social Security survivors' benefits for an average wage earner who leaves a spouse and two children is equivalent to a \$295,000 life insurance policy. The average payment for the spouse and two children is about \$1,350 per month, which may be increased based on the annual cost of living index--something few private insurance plans offer.

Disability benefits

Social Security also protects workers who suffer the tragedy of disability. Few workers have purchased private, long-term disability insurance. Studies show, however, that a 20-year-old worker has a 1 in 3 chance of being severely disabled before the age of 65. More than 144,200 disabled Kentuckians under 65 and 55,000 dependents receive assistance under the disability provisions.

Social security disability protection is equivalent to a \$203,000 disability policy for an average wage earner with a spouse and two children. The average monthly payment of a disabled worker is about \$660 and about \$1,100 for a disabled work with a spouse and two or more children.

Retirement benefits

Almost every public employee who has retired receives Social Security benefits. Social Security pays monthly retirement benefits to about 555,100 retirees and their families across Kentucky. Benefits can equal as much as \$1,200 a month for workers earning the maximum under Social Security.

The usual retirement age for people retiring now is age 65. Social Security calls this "full retirement age," and the benefit amount that is payable is considered the full retirement benefit. Because of longer life expectancies, the full retirement age will be increased in gradual steps until it reaches age 67. This change starts in the year 2003 and it effects people born in 1938 and later.

Early Retirement

You can start your Social Security benefits as early as age 62, but the benefit amount you receive will be less than your full retirement benefit.

If you take early retirement, your benefits will be permanently reduced based on the number of months you will receive checks before you reach full retirement age. If your full retirement age is 65, the reduction for starting your Social Security at age 62 is about 20 percent; at age 63, it is about 13.3 percent and at age 64, it is about 6.6 percent.

Medicare

Medicare is our nation's basic health insurance program for those 65 or older and many disabled individuals. There are two parts to Medicare: 1) Hospital Insurance--sometimes referred to as Part A -- and 2) Medical Insurance--Part B.

Most get hospital insurance when they turn 65...you qualify for it automatically if you are eligible for Social Security. If you have been getting Social Security disability benefits for 24 months, you will qualify for hospital insurance under the Medicare program.

Almost anyone eligible for the Medicare hospital insurance can sign up for its medical insurance. Medical insurance is an optional program, unlike the hospital portion of Medicare that is free.

Your Future

The question most often asked about Social Security is "Will it be there for me?" Consider that Social Security has been in existence for 60 years. It is a flexible program that has been able to change with the needs of the beneficiaries it serves and the workers who provide the financing. Social Security is currently financed well enough to pay all estimated benefits for the next 35 years without any changes...at all! You can count on Social Security being there when you need it.

Your personal wage history and an estimate of your future Social Security benefits may be obtained by filing a Form 7004 with the Social Security Administration. The Form 7004 is available from your local Social Security office, the state Division of Social Security (1-502/564-3952) or by calling the Social Security Administration toll-free at 1-800/772-1213.

ADOPTION BENEFIT PROGRAM (Revised 09/2001)

On November 1, 1998, Governor Patton signed an executive order creating a mechanism whereby state employees could be reimbursed for a portion of the direct costs incurred in the adoption process.

The Kentucky State Personnel Cabinet administers the Adoption Benefit Program, which provides financial assistance to state employees in the Executive Branch.

Under 101 KAR 2:120: <http://www.lrc.state.ky.us/KAR/101/002/120.htm> the Adoption Benefit Program provides up to \$5,000.00 per family for direct costs related to the adoption of a special needs child, and up to \$3,000.00 for any other child adoption. The money is provided by existing funds from the agency where the adoptive parent is employed, not to exceed \$150,000.00 total in one year.

The Adoption Reimbursement Application shall be submitted to the Personnel Cabinet along with the following:

- Finalization of the adoption;
- Certification by the Secretary of the Cabinet for Families and Children that the adopted child is a special needs child, if reimbursement for special needs adoption is sought, and;
- A copy of an affidavit of expenses related to the adoption files and approved by the court at the time of finalization of the adoption.
- If both of the adoptive parents are Executive Branch state employees, the applications for financial assistance shall be submitted jointly.

Kentucky State Government employees who wish to adopt a child have access to equivalent benefits that are offered to birth parents. Adoptive parents are eligible for FMLA: 101 KAR 2:102, <http://www.lrc.state.ky.us/KAR/101/002/102.htm>.

As of August 2001, a state employee who wishes to be reimbursed for adoption expenses must also submit a completed Adoption Reimbursement Application and an Adoption Reimbursement Notification Letter to his/her appointing authority.

The Family Medical Leave Act entitles you to:

- Twelve (12) weeks of unpaid job protected leave.
- Having the state's share of your health and life insurance paid.

To obtain the Adoption Benefit Program Application, contact your Personnel Administrator or go to <http://kygovnet.state.ky.us/personnel/adoption/adoptapp.doc> to print the application.

If you may have any questions, please contact: Department For Employee Relations, Division of Employee Benefits, 200 Fair Oaks Lane, Suite 511, Frankfort, Kentucky 40601, (502) 564-6846

HUMAN RESOURCE DEVELOPMENT SERVICES (Revised 09/2001)

Professional growth and development opportunities are available for employees and managers through the programs and services of the **Governmental Services Center (GSC)** located at Kentucky State University in Frankfort. GSC is a state agency whose mission is to provide quality services in training, consultation, and organization development that help the individuals and agencies of state government continuously improve performance and meet the challenges of today and the future. GSC is committed to the professional delivery of innovative, quality-driven, customer-focused services through vision, leadership and teamwork.

Training Services

GSC offers a curriculum of more than thirty workshops. The management development curriculum includes topics such as fundamental and advanced leadership skills, managing under the merit system, performance management, and managing change. GSC also provides the Certified Public Manager program for current and potential managers (see below.) The employee development curriculum includes topics such as interpersonal skills, problem solving, and other courses for personal development of the employee.

Organizational Development Consulting Services

GSC provides a variety of consulting services to state Cabinets and agencies in areas such as strategic planning and process improvement, which help agency leadership manage more effectively. GSC staff is also available to provide customized services and training to meet specific organization needs.

Certified Public Manager Program

The Kentucky Certified Public Manager program is the official management certification training plan for the Commonwealth of Kentucky. The program is accredited by the National Certified Public Manager Consortium, and is available to state government managers, and employees with management potential. The CPM program is a challenging and comprehensive training curriculum requiring 300 hours of classroom instruction, completion of four projects demonstrating application of what is learned and satisfactory completion of several tests. The program normally takes 4 years to complete and results in official certification as a nationally recognized Certified Public Manager.

Successful completion of the CPM program makes the employee eligible for the Educational Achievement Award (see below), and the employee is credited with two years of management experience in applying for certain state positions. Employees who complete the requirements and are awarded the Certified Public Manager certificate are also eligible to receive nine hours of academic credit toward the bachelor's degree in public administration and six hours toward the master's degree in public administration at Kentucky State University.

Detailed information about all aspects of the CPM program are available from GSC.

Educational Assistance

Eligible employees may apply for educational assistance through the Tuition Assistance or the Tuition Reimbursement program for courses that are related to the work of their agency. This program is administered on a decentralized basis by the cabinets and agencies that determine their own lists of approved courses, and establish specific internal procedures. The cabinets have the option whether to provide Tuition Assistance, which pays for tuition in advance, or Tuition Reimbursement, which provides reimbursement to the employee after successful completion of a course. Educational Assistance may be granted for studies at public or private colleges and universities, vocational and secondary schools, accredited correspondence schools, and other institutions. Employees who live or work in Franklin and any adjoining county must take their classes at Kentucky State University, if the course is available there.

Agency Training Liaisons

To facilitate communication with employees about the services provide by GSC, each agency provides a training liaison as a communication link with GSC and to assist employees by providing information and enrolling them in classes. Employees must schedule training through

their agency liaison. Agencies have different request and approval procedures. Please check with your agency liaison for the process in your agency.

Training Schedule

The GSC training schedule is prepared quarterly and class schedules are prepared about six months in advance. The workshop schedule and other informative articles about GSC are printed in employee newsletter the Commonwealth Communiqué that is published quarterly. Agency liaisons also always have access to the most up-to-date schedule information. Schedules, course descriptions, trainer profiles, and other helpful information can be found at the GSC web site at:

<http://www.state.ky.us/agencies/finance/depts/gsc/gscpage.htm>

For more information, contact Governmental Services Center at 502-564-8170.

Educational Achievement Awards

On the 16th of a month, an appointing authority may grant a five (5) percent increase to an employee's base salary based on educational achievement, as follows:

- The employee has completed 260 hours of job related instruction (or the equivalent as determined by the Secretary of Personnel);
- The employee began the course work after becoming a state employee and completed the course work after establishing an increment date;
- The employee has completed the course work within five (5) years of the date on which it was begun;
- The course work has not previously been applied toward an educational achievement award;
- The agency has not paid for the course work or costs associated with it, in whole or in part;
- The employee was not on educational or extended sick leave when the courses were taken;
- The employee has successfully completed the Kentucky Certified Public Manager Program offered by the Governmental Services Center at Kentucky State University;
- The employee has not previously received an educational achievement award for completing the Kentucky Certified Manager Program;
- The employee has obtained the high school diploma, equivalency certificate, or passing score on the GED test:
 - a. Outside of work hours;
 - b. While in state service; and
 - c. On or after January 1, 1984;
- The employee has not previously attained a high school diploma, equivalency certificate, or passing score on the GED test; and
- The employee has not completed college coursework on the undergraduate or graduate level prior to obtaining the high school diploma, equivalency certificate or a passing score on the GED test.

An agency may elect not to participate in the educational achievement program if sufficient

funds are not available.

An employee shall not receive more than one (1) educational achievement award in a fiscal year.

An employee shall not receive an educational achievement award and an adjustment for continuing excellence (ACE) based on the same training.

By submitting a personnel action to grant an educational achievement award, the appointing authority shall certify that all of the qualifying conditions established by this section for the appropriate type of educational achievement award have been met.

EMPLOYEE SUGGESTION SYSTEM (Revised 09/2001)

Under KRS 18A.110 and 101 KAR 2:120, all employees with status in the classified service (merit employees) may be recognized and rewarded for submitting suggestions that result in the improvement of state service or in the realization of financial savings by the state. Employees in the unclassified service (non-merit) are not eligible.

Cash awards are given when a suggestion has been implemented and approved by the Council and results in cost reductions, cost avoidance, or for ideas that would improve the operations of a process or program, improve public relations, safety or effectiveness of operations. Awards range from \$100 minimum to ten percent (10%) of the first year's documented or estimated savings, up to a maximum of \$2,500.00. A \$100.00 award may be given for ideas that have intangible savings.

To obtain the official suggestion form (P-35), you may contact your E.S.S. Coordinator within your cabinet or agency. Information about the Employee Suggestion System is now available on the "INTRANET." The Intranet is accessed through Personnel's Home Page on the Internet (<http://www.state.ky.us/agencies/personnel/pershome.htm>). Once you have reached Personnel's Home Page you will access Employee Benefits & Regulations; then click on Kentucky Employee Suggestion System.

Once the form (P-35) is completed, you will return it to your cabinet/agency coordinator. He/she will be responsible for recording the suggestion, having the appropriate person with expertise in that area to evaluate the suggestion, and track the suggestion until its completion. Your coordinator will notify you of the final outcome. If your suggestion is denied by a cabinet or agency, you may request a reconsideration, and from there you may request a review by the Council.

KENTUCKY EMPLOYEE ASSISTANCE PROGRAM (KEAP) (Revised 09/2001)

The Kentucky Employee Assistance Program (KEAP) is dedicated to helping employees find solutions to the personal problems that may hinder their effectiveness at work.

Problems concerning marital, family, or emotional distress, alcoholism and drug abuse, financial or even medical issues can seriously diminish an individual's job performance. As a progressive employer the Commonwealth of Kentucky recognizes that there are positive, workable solutions to many of these problems which trouble employees.

State employees and their dependents are eligible for KEAP services. There is no cost for its information or referral services. All of your contact with KEAP is confidential as required by state and federal law. Employee involvement with KEAP is permitted on state time with the supervisor's prior approval. Supervisors may refer employees to KEAP when job performance deteriorates, however participation is voluntary.

If you or your dependents could benefit from this assessment and referral service, call the KEAP office for more information. In Frankfort call 502-564-5788, or use the toll-free 1-800-445-KEAP number from anywhere in the state. Kentucky State Police also have an Employee Assistance Program. They can be reached at 502-573-1719.

BEREAVEMENT PACKAGE (Revised 09/2001)

The death of an employee is always a sad occasion, and it can be uncomfortable to deal with administrative details at such a time. However, it is essential to the welfare of the deceased employee's family to see to it that such details are attended to efficiently. The Commonwealth has prepared a packet of information in an effort to assist you during this difficult time. To obtain a bereavement package, contact your agency personnel administrator.

DEFERRED COMPENSATION (Revised 09/2001)

All Kentucky State Government employees may participate in one or both of the Supplemental Retirement Savings Plans available through Kentucky's Deferred Compensation Program (IRC Section 457 and 401(k)). Participation in this valuable benefit is optional for the employee. Both Plans are administered by the Kentucky Public Employees' Deferred Compensation Authority. The Authority, attached to the Personnel Cabinet for administrative purposes, is part of Kentucky State Government.

Both Deferred Compensation Plans let you defer "pre-tax" income from your regular compensation and set it aside for retirement. Money set aside for Deferred Compensation is automatically payroll deducted twice each month. State employees have the option of selecting a set dollar amount to be deducted per pay period, or specifying a percentage of salary to be deferred each pay period through the "Automatic Contribution Escalator" (ACE). There is no minimum deferral amount. You pay no state or federal income tax on the money you defer, or the earnings of your account balance, until you begin receiving benefits payments after retirement (including early retirement) when you may be in a lower tax bracket. Under the provisions of a tax law passed by special session of the Kentucky General Assembly in 1995, certain retirement incomes, including distributions from both Deferred Comp Plans, are now 100% excluded from Kentucky state taxes, up to an annual dollar maximum (indexed) of \$37,500 per person.

The plan is not meant for short-term savings, and monies deferred are generally not available except for financial hardship, termination of employment (voluntary and involuntary), retirement, or disability retirement from Kentucky State Government. Hardship claims must be approved by the Deferred Compensation Board, and are defined by IRS regulations. Hardships do not include withdrawals for buying an automobile, consumer goods, or repayment of loans or credit card charges. A special loan program is available to those participating in the 401(k) Plan. In addition, a state employee, with at least twenty years of state service, can "Rollover" part or all of their 401(k) account to the Kentucky Retirement Systems to purchase up to five (5) years of "non-qualified" service credit or any other service acceptable to the Kentucky Retirement System. Effective January 1, 2002, similar "Rollover" to purchase time will be permitted from the 457 accounts.

Investing for Retirement

You choose which fund or funds to invest in. The Authority currently offers 31 investment options to participants in both plans. The *Spectrum of Investment Options* contains investment choices (primarily no-load mutual funds) that range from conservative (fixed contract, money market, government and corporate bond funds) to moderate (balanced, equity income, large cap growth funds) to the more aggressive (mid cap, small cap, sector and foreign funds). Included in the mix is a Total Bond Market Index Fund and an S&P 500 Index Fund. To help insure appropriate performance results are maintained the Board of Trustees has adopted "Selection and Evaluation Criteria Standards." These have been specifically designed for the ongoing analysis and determination of the funds to be offered in the *Spectrum of Investment Options*. Please note that mutual funds have no guarantee of return or principal. In addition, there is also some uncertainty with every investment.

You have the flexibility to make exchanges of your fund balances between funds within the *Spectrum* on a daily basis. Deferral amounts, percentages, and fund investment options may be changed from one pay period to the next available pay period.

There is an on-going annualized recordkeeping and administrative fee, which is deducted periodically from your account and reflected on each quarterly transaction-based statement. The Authority has an on-going process to review the costs to administer the system with the objective to reduce participant fees whenever feasible. This process has successfully reduced fees each of the last four (6) years. The total of the recurring annual savings to participants is now greater than \$3 million.

Planning for Retirement

Long range planning and systematic saving for eventual retirement is one of the most important undertakings for employees during their state government career. With today's trends of employees retiring at younger ages and living longer in retirement (you may live as long in retirement as you worked!), employees cannot afford to rely solely on traditional defined benefit pension plans and Social Security as their only sources of retirement income for their "golden years." Chart A (below) shows the advantages of investing through Deferred Compensation. Chart B (below) shows the advantages of deferring early.

Through "your" Deferred Compensation Authority, provided to you as an "optional" benefit by the Commonwealth, you may save up to 25% of your adjusted annual (calendar year) gross salary up to the annual maximum of \$8,500 (indexed) in the IRC Section 457 plan, or up to

\$10,500 (indexed) in the IRC Section 401(k) plan. Effective January 1, 2002 the percentage of compensation increases to 100% and the annual maximum for "Both" plans increases to \$11,000.

Staff of the Kentucky Public Employees' Deferred Compensation Authority and its statewide field service representatives are always available during regular working hours to assist you in planning, preparing, and saving for your eventual retirement. Authority Payout Counselors are happy to work with you as you select the payout most appropriate for your individual needs. A comprehensive web-site (www.kentuckydcp.com) and a voice response unit (800-793-4401) are available 24 hours per day, 7 days a week and provide account information and a method for making changes to your account.

For information on participating in your Deferred Compensation program, please contact Authority staff at (502) 573-7925 or toll free at 1-800-542-2667.

THE DEFERRED COMPENSATION ADVANTAGE CHART A

	With Deferred Comp	Without Deferred Comp
Your Gross Paycheck (24 pays)	\$1,000	\$1,000
Pre-Tax DC Contribution	\$ 125	----
Taxable Income	\$ 875	\$1,000
Federal & State Taxes (includes Medicare & Social Security)	\$ 168	\$ 194
After-Tax Savings Contribution	-----	\$ 125
<i>Spendable Income</i>	<i>\$ 707</i>	<i>\$ 681</i>

*Assumes 2000 tax rates for married Kentucky taxpayer with no children, filing jointly, using standard deduction.

The Power of Compounding

If you invest \$2,000 a year for the first 10 years of a 40-year period with annual compounding at 8%, you will earn more than someone who invests \$2,000 a year from years 10 through 40. The latter's total contribution would be more than three times greater, yet it would earn 31% less. It clearly pays to invest early.

CHART B

	INVESTMENT MADE JANUARY 1 EACH YEAR	YEAR-END ACCOUNT VALUE	INVESTMENT	YEAR-END ACCOUNT VALUE
1	\$2,000	\$2,160	\$0	\$0
2	2,000	4,493	0	0
3	2,000	7,012	0	0
4	2,000	9,733	0	0
5	2,000	12,672	0	0
6	2,000	15,846	0	0
7	2,000	19,273	0	0
8	2,000	22,975	0	0

	INVESTMENT MADE JANUARY 1 EACH YEAR	YEAR-END ACCOUNT VALUE	INVESTMENT	YEAR-END ACCOUNT VALUE
9	2,000	26,973	0	0
10	2,000	31,291	2,000	2,160
11	0	33,794	2,000	4,493
12	0	36,498	2,000	7,012
13	0	39,418	2,000	9,733
14	0	42,571	2,000	12,672
15	0	45,977	2,000	15,846
16	0	49,655	2,000	19,273
17	0	53,627	2,000	22,975
18	0	57,917	2,000	26,973
19	0	62,551	2,000	31,291
20	0	67,555	2,000	35,954
21	0	72,959	2,000	40,991
22	0	78,796	2,000	46,430
23	0	85,100	2,000	52,304
24	0	91,908	2,000	58,649
25	0	98,260	2,000	65,500
26	0	107,201	2,000	72,900
27	0	115,777	2,000	80,893
28	0	125,039	2,000	89,524
29	0	135,042	2,000	98,846
30	0	145,846	2,000	108,914
31	0	157,514	2,000	119,787
32	0	170,115	2,000	131,530
33	0	183,724	2,000	144,212
34	0	198,422	2,000	157,909
35	0	214,295	2,000	172,702
36	0	231,439	2,000	188,678
37	0	249,954	2,000	205,932
38	0	269,951	2,000	224,566
39	0	291,547	2,000	244,692
40	0	314,870	2,000	266,427
	INVESTMENT \$20,000		INVESTMENT \$62,000	
	EARNINGS \$294,870		EARNINGS \$204,427	

CREDIT UNIONS (Revised 09/2001)

As a state employee, you may want to join the Commonwealth Credit Union or the Kentucky Employees Credit Union. Each offers a wide range of financial services, including secured and unsecured loans, savings plans, and payroll deductions.

Commonwealth Credit Union

Did you know that participants of any Kentucky Retirement System are eligible for membership with Commonwealth Credit Union? CCU has a full line of expense free financial services that are convenient and available for all its members and their families across the state. We are currently the largest credit union in Kentucky with over 75,000 members.

You may be wondering what the advantages are of joining a credit union versus a bank.

According to a study conducted by the Consumer Federation of America, "...the fee difference between credit unions and banks is striking and helps explain why consumers repeatedly rate credit unions more highly than banks...". The study further demonstrates that fewer credit unions than banks charge fees, and when credit unions do charge fees, they are generally less than banks. Credit Unions are ***non-profit consumer cooperatives run for the benefit of members***.

Now you know why everyone should become a member of a credit union....but here is just a few of the reasons why you should become a member of **Commonwealth Credit Union**:

Savings Accounts	Choose from our Ready Access Savings, High Yield Savings, Certificates, IRAs, Youth Accounts, Christmas and Vacation Clubs; you can do payroll deductions to these accounts!
Direct Deposit & Payroll Deduction	Direct Deposit offers a great way to have money automatically deposited to your CCU checking account on your payday. Payroll Deduction allows you to have any amount deducted from your paycheck and deposited into one or more CCU savings account(s).
Free Checking	No minimum balance, no monthly service charges, unlimited check writing privileges, and every balance earns dividends.
Global Check Cash Card	Allows you to make purchases at any location that accepts VISA and the funds will come directly from your checking account! It also serves as an ATM card at our numerous ATMs and nationwide ATMs.
"Tellie", The Touch Tone Teller	Free 24 hour account information from any Touch Tone telephone. Receive account balances, cleared dates on checks, account withdrawals, and transfer money between accounts.
Bill Payment	Allows the convenience of paying your bills via a PC or phone...anytime and anywhere. Now you can pay your bills without writing a check, paying for postage or stuffing envelopes.
Home Banking	Home Banking allows you to access your accounts from home, work, or any other location from any personal computer with Internet access -- anywhere in the world, 24 hours a day.
Loan Service	Low competitive rates on all our loans; Vehicle, Personal, Consumer, VISA/MasterCard Credit Card, Mortgage, and much more! You can apply 24 hours every day and receive an answer within 10 minutes on most loans.

As you can see, membership in CCU has many benefits for you as well as everyone in your family! For more information on becoming a member of Commonwealth Credit Union or about additional services offered, contact your payroll office, or call us toll free at 1-800-228-6420. Call today for a lifetime of saving for you and your family...and remember "Once a member, always a member!" Commonwealth Credit Union, 417 High Street, P. O. Box 978, Frankfort, Kentucky 40602-0978 and 3270-B Nicholasville Road, Lexington, Kentucky.

Kentucky Employees Credit Union

Attention State Employees, take advantage of membership in KECU.

As a state employee you, and your family members, are eligible for an exciting benefit - *membership in Kentucky Employees Credit Union.*

KECU is a not-for-profit financial cooperative, owned and operated by members. It's our goal to serve you with top-quality financial products and services at the lowest costs possible. Our friendly staff is always ready to assist you and we offer a variety of convenient and easy to use services.

For example, our Checking Account has no monthly service charge, no minimum balance and no per check fees. Plus, you can access the funds in your account with your KECU ATM card or your KECU VISA Check (Debit) Card. You can inquire about your balance, find out what checks have cleared, make a transfer and more, 24 hours a day, 7 days a week from the convenience of MoneyLine, our audio teller.

From low-rate auto loans to competitive rates on certificates -- KECU is the place for all your financial needs!

- Checking Accounts
- VISA Check Card
- ATM Service
- Low-Rate Auto and Signature Loans
- Certificates
- Mortgage Loans
- Home Equity Loans
- MoneyLine Audio Teller
- Friendly Service and much more!

Join Today! A long tradition of excellence...The first credit union to serve state employees! KECU, 100 Moore Drive, Frankfort, Kentucky 40601-8295, (502) 564-5597, (800) 219-5328, FAX (502) 564-9739. E-Mail: kecu@kecu.org Home Page: <http://www.kecu.org>

SAVINGS BONDS (Revised 09/2001)

All employees may purchase U.S. Savings Bonds through the payroll deduction savings plan. Series EE savings bonds are the only type of bonds which can be bought through the payroll deduction savings plan. These bonds may be purchased at 50% of their face amount. The series EE bond reaches full maturity in ten years, but may be redeemed, with interest earnings, after six months. If you purchase a \$200 savings bond for \$100, the bond at maturity will be worth \$200. If you would like to learn more about the payroll deduction plan for savings bonds, contact your payroll officer.

RETIREMENT (Revised 02-2002)

Your retirement plan as an employee of Kentucky state government is designed to give you long-term security in the years after your state service is completed. It also contains valuable benefits for your named beneficiary.

Most state employees belong to the Kentucky Employees Retirement System. Some employees of the Department of Education and Workforce Development Cabinet are enrolled in the Kentucky Teachers' Retirement System. After you have identified which one pertains to you, you may request a free booklet detailing your retirement program for your retirement system. If you serve under both systems during your career, you may combine credits when you retire. For the Kentucky Employees Retirement System (KERS), telephone (800) 928-4646; FAX # (502)564-5656. Members of the Kentucky Teachers' Retirement System (KTRS) may call (800) 618-1687; Fax # (502)-573-0199.

Kentucky Employees Retirement System

To be eligible for the Kentucky Employees Retirement System, you must work an average of 100 or more hours per calendar month. Participation in the retirement system is mandatory for full-time employees. Interim employees are not eligible for participation in the system.

Your monthly contribution to your retirement plan is 5% of your base salary for non-hazardous positions. Hazardous positions and state Troopers contribute 8%. Contributions are deducted automatically from your paychecks. The state contributes a percentage based on your gross salary. As of July 1, 2000, that was 5.89% for non-hazardous positions, 18.84% for hazardous duty positions and 23.58% for state police. The employer rate is adjusted periodically. These funds are not taxable until you begin receiving retirement benefits.

Because this is a defined plan, the extent of your own or your beneficiary's benefits will depend upon your length of service to the state and the average of your highest years of wages, rather than on your account balance. For non-hazardous employees, benefits are based on the five highest fiscal years of earnings. For hazardous employees, benefits are based on the three highest fiscal years of earnings. Generally, you must have worked for the state at least five years to collect retirement benefits. However, all employees who reach the age of 65 and have contributed to the retirement system are eligible for retirement, no matter how long they have worked. Of course, the shorter the service, the lower the benefits.

Other aspects of KERS benefits for nonhazardous employees include (1) early retirement at age 55 (with reduced benefits); (2) retirement at any age after 27 years of service, without reduction; (3) retirement after 25 years of service with benefits reduced 5% for each year fewer than 27; (4) credit toward retirement for all accumulated sick leave; (5) disability retirement when the disability occurs during service; (6) purchase of retirement credit for military service, public service, and nonqualified service; (7) health insurance after retirement (prorated according to length of service); and (8) death benefits paid to your beneficiary.

KERS benefits for hazardous employees includes (1) early retirement at age 50 after 15 years service (with reduced benefits); (2) retirement at any age after 20 years of service, without reduction; (3) credit toward retirement for all accumulated sick leave; (4) disability retirement when the disability occurs during service; (5) purchase of retirement credit for military service, public service and nonqualified service; (6) health insurance for you and your dependents after retirement (prorated according to length of hazardous service); and (7) death benefits paid to your beneficiary.

Contact a benefit counselor at the KERS for details of these benefits.

If you are in a nonhazardous position, calculate your retirement pension at age 65, the normal retirement age, by figuring the average pay of your five highest-paid years; multiply that average pay by 1.97%; then multiply that figure by your years of state service and divide by 12. The resulting figure will be the amount of your monthly pension check. A different formula is used for those employees with retirement credit during the period January 1, 1998 through January 1, 1999. Contact the retirement office for details if you fall into this category.

If you leave state work, your contributions to the retirement system are refundable upon request. You may also choose to leave your money in the KERS and collect benefits after you reach retirement age.

Kentucky Teachers' Retirement System

The faculty and certified staff of local school districts across the state make up the great majority of Kentucky Teachers' Retirement System (KTRS) members. However, some KTRS members work within state government, and are primarily located in the Department of Education and Workforce Development Cabinet. These members must either have a four year college degree or hold a Kentucky-recognized certificate within a field of education which is covered by the Teachers' Retirement System to be eligible for membership. A few members also work in other departments of state government, having exercised an option prior to January 1, 1977, to continue their membership in KTRS after transferring to other departments.

As a KTRS member, you contribute 9.855% of your annual base salary through regular, automatic payroll deduction. The state contributes 13.105% of your base salary. Although the rate of employee and state contribution is higher in KTRS than in KERS, KTRS members do not pay into the Social Security system. In addition, there are some differences in benefits between the two systems. KTRS contributions, like KERS withholdings, are not taxable until retirement benefits begin, when you will probably be in a lower income tax bracket.

Your KTRS contributions are refundable if you separate from a KTRS position and are not eligible for retirement benefits. If you have enough service credit, however, you may choose to leave your money in KTRS and collect your retirement benefits when you become eligible. For more information about all KTRS benefits and options, call (502) 573-3266 or FAX (502) 573-0199.

GLOSSARY OF TERMS RELATING TO EMPLOYMENT (Revised 09/2001)

Because terms found in this section are used by Personnel Administrators and agencies in very limited and technical ways, you should refer to this section whenever someone uses one of them. Remember, this is only an informational booklet. You should refer to the appropriate law or regulation for more precise information. The statutes governing the Merit System are in KRS Chapter 18A. The regulations are in 101 KAR Chapters 1-3.

AGENCY--An administrative body created by the Kentucky Constitution or by the legislature or governor under the provisions of law to carry out or perform governmental services required by the constitution or state law. (Example: Commission on Human Rights)

APPOINTING AUTHORITY--The agency head or any person the agency head has authorized by law to act on behalf of the agency with respect to employee appointments, position establishments, payroll documents, register requests, waiver requests, requests for certification, or other position actions. Such designation shall be in writing and signed by both the agency head and his/her designee. The designation of an appointing authority must be filed with the Secretary of Personnel prior to exercising the appointing authority.

CAREER EMPLOYEE--A state employee with (16) or more years of permanent full-time state service, or the part-time employment equivalent of at least (16) years of full-time state service. The service may have been in the classified service, the unclassified service or a combination of both. SEE KRS 18A.005(4); 18A.115(4); 18A.130; 18A.135.

CLASS--A group of positions sufficiently similar as to duties performed, scope of discretion and responsibility, minimum requirements of training, experience or skill, and such other characteristics that the same title, the same tests of fitness, and the same schedule of compensation have been or may be applied to each position in the group. SEE KRS 18A.005 (6)

CLASS SPECIFICATION--The standard developed by the Personnel Cabinet which states the class title, title code, selection method, information, salary information, characteristic of the class, minimum requirements, examples of duties and responsibilities, date established and last revision.

CLASSIFIED EMPLOYEE--A merit employee serving in a classified position and subject to the provisions of KRS 18A.

CLASSIFIED POSITION--A position in the classified service; a merit system position.

CLASSIFIED SERVICE--Includes all the employment subject to the terms of KRS Chapter 18A except for those positions expressly cited in KRS 18A.115; a "classified position" is a position in the classified service. [SEE KRS 18A.005 (7).]

DEMOTION--A change in the rank of an employee from a position in one class to a position in another class having a lower minimum salary range, or less discretion, or responsibility. [SEE KRS 18A.005 (9).]

DETAIL TO SPECIAL DUTY--The temporary assignment of an employee to a position other than that to which regularly assigned; limited to no more than one year.

DISMISSAL--The involuntary termination of an employee from state government. Unclassified employees and employees serving initial probation may be dismissed without cause. Classified employees with status may be dismissed for cause only. An employee (classified or unclassified) dismissed for cause may appeal to the Personnel Board.

EXEMPT EMPLOYEE--An employee defined as "EXEMPT" under the Fair Labor Standards Act (FLSA) is not covered by the overtime provisions of this Act. (See Overtime)

GRADE CHANGE--The assignment of a different pay grade to a class of positions based upon a change in relation to other classes or to labor market conditions. May be to a higher or lower pay grade.

INITIAL PROBATION--The period of service following initial appointment of any position under KRS 18A.010 to 18A.200 which requires special observation and evaluation of an employee's work and which must be passed successfully before status may be conferred as provided in KRS 18A.110 and by the provisions of this chapter. If the appointee is granted leave in excess of twenty (20) consecutive work days during this period, initial probation shall be extended for the same length of time as the granted leave to cover such absence. "Initial probation" does not include a probationary period served by a laid-off employee who accepts a bona fide written offer of appointment. [SEE KRS 18A.005 (16).]

INTERIM EMPLOYEE--An unclassified employee without status who has been appointed to an interim position that shall be less than nine (9) months duration.

INTERIM POSITION--A position established to address a one time or recurring need of less than nine (9) months duration and exempt from the classified service under KRS 18A.115.

KAR--The Kentucky Administrative Regulations which regulate agency implementation of programs within limits set by statutes.

KRS 18A--The Kentucky Revised Statutes dealing with state personnel and the merit system.

NON-EXEMPT EMPLOYEE--An employee defined as "NON-EXEMPT" under the Fair Labor Standards Act (FLSA) is entitled to receive time and a half for each hour worked over

forty in a workweek. The non-exempt employee has the option of being paid for the extra hours or may choose to get compensatory time. The option chosen may be changed after six (6) months.

P-1 (Personnel Action)--The document, which when approved, notifies an employee of an action affecting his/her status, pay, position, classification or other condition of employment.

PD (Position Description)--The official document which describes the tasks and responsibilities assigned to a specific position. This document is used in determining the job class a position is assigned.

PERSONNEL BOARD--The agency created by law to conduct hearings on appeals filed by employees who allege that they have been penalized by their employer (agency) in a manner that violates KRS 18A and the personnel administrative regulations. The Personnel Board also writes regulations governing how employees may be promoted, transferred, demoted, laid-off or disciplined.

PERSONNEL CABINET--The central agency created by law to review and make final administrative decisions on personnel actions proposed or taken by an appointing authority. This agency is also responsible for administering the statewide classification plan, compensation plan, applicant testing, payroll processing and many of the employee benefit programs.

PERSONNEL ADMINISTRATOR--The agency or cabinet employee(s) responsible for personnel administration.

POSITION--An office or employment in an agency (whether part-time, full-time, interim, occupied or vacant) involving duties requiring the services of one (1) person. [SEE KRS 18A.005 (18).]

PROMOTION--A change of rank of an employee from a position in one class to a position in another class having a higher minimum salary, or carrying a greater scope of discretion or responsibility. [SEE KRS 18A.005 (19).]

PROMOTIONAL PROBATION--The six (6) month period of service following the promotion of an employee with status which must be successfully completed in order for the employee to retain the position to which he/she has been promoted. If the employee is granted leave of more than twenty (20) consecutive work days during this period, the promotional probation shall be extended for the same length of time as the granted leave to cover such absence. [SEE KRS 18A.005 (20).]

REALLOCATION--The correction of the classification of an existing position by placement of the position into the classification that is appropriate for the duties the employee has been performing and shall continue to perform. [SEE KRS 18A.005 (22).]

RECLASSIFICATION--The change in the classification of an employee when a **material and permanent** change in the duties or responsibilities of that employee occurs. [SEE KRS 18A.005

(23).]

RE-EMPLOYMENT--The rehiring of an employee with status who has been laid-off. [SEE KRS 18A.005 (24).]

REINSTATEMENT--The restoration of an employee who has resigned in good standing, or who has been ordered reinstated by the board or a court to a position in his/her former class, or to a position of like status and pay. [SEE KRS 18A.005 (27).]

STATUS--The acquisition of tenure with all rights and privileges granted by the provisions of this chapter after satisfactory completion of the initial probationary period by an employee in the classified service. [SEE KRS 18A.005 (31).]

TRANSFER--A movement of any employee from one position to another of the same grade having the same salary ranges, the same level of responsibility within the classified service, and the same salary received immediately prior to transfer. [SEE KRS 18A.005 (34).]

UNCLASSIFIED EMPLOYEE--An employee serving in an unclassified ("non-merit") position.

UNCLASSIFIED POSITION--A position in the unclassified service.

UNCLASSIFIED SERVICE--All the employment cited by KRS 18A.115 and so exempt from the classified service.

SUBJECT INDEX

You may read these laws and rules in any library having a set of current Kentucky laws and administrative regulations. Many state offices also have them, and your agency personnel administrator or the Personnel Cabinet will be glad to help you in using one of their office copies.

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